Infrastructure and Transportation

Annual Report 2007-2008

Alberta

Infrastructure and Transportation

Annual Report
2007-2008

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Preface

Public Accounts 2007-2008

The Public Accounts of Alberta are prepared in accordance with the Financial Administration Act and the Government Accountability Act. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 20 Ministries.

The annual report of the Government of Alberta released June 24, 2008 contains the Minister of Finance's accountability statement and the consolidated financial statements of the Province. The Measuring Up report released June 24, 2008 provides a comparison of the actual performance results to desired results set out in the government's business plan.

On March 12, 2008, the government announced new ministry structures. Since the 2007-08 fiscal year was substantially completed prior to this announcement, ministry annual reports and financial statements have been prepared as if the restructuring took place on April 1, 2008, to provide proper accountability for the 2007-08 fiscal year against the original business plan.

This annual report of the Ministry of Infrastructure and Transportation contains the Ministers' accountability statement, the audited financial statements of the Ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This Ministry annual report also includes other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report.

Ministers' Accountability Statement

The Ministry's annual report for the year ended March 31, 2008, was prepared under our direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 8, 2008 with material economic or fiscal implications of which we are aware have been considered in the preparation of this report.

Original signed by

Luke Ouellette
Minister
Alberta Transportation

Original signed by

Jack Hayden
Minister
Alberta Infrastructure

Message from the Ministers

Luke Ouellette
Minister
Alberta Transportation

Without a doubt, 2007-08 was a challenging, productive and significant year for Infrastructure and Transportation. The Ministry not only achieved some of its greatest accomplishments, but was also divided into the Ministry of Infrastructure and the Ministry of Transportation. This separation of responsibilities allows each ministry to focus on its areas of expertise and provides a distinct perspective on both roads and infrastructure.

Jack Hayden
Minister
Alberta Infrastructure

In the rearview mirror

Infrastructure and Transportation continued to represent Alberta's interests in transportation policy. This involved developing provincial policies pertaining to highways, municipal transportation, carriers, and rail and air transportation.

One of our three mandates for 2007-08 was to expand the capacity of Alberta's highway system to address growth pressures. We invested more than $320 million to build and enhance provincial highway systems, which supported Alberta's strong economy as well as helped manage growth.

We invested about $516 million in highway rehabilitation and maintenance and we also provided $591 million for the strategic economic corridor investment initiative. This included the Edmonton and Calgary ring roads and the North-South Trade Corridor.

In October 2007, we completed the southeast portion of Edmonton's Anthony Henday Drive, Alberta's first public-private partnership (P3) highway project. This 11-km freeway features 20 bridge structures, including five interchanges and no traffic lights. It provides a vital transportation link for the Edmonton region.

We also announced that the province was moving ahead with construction of the 21-km north leg of the Edmonton ring road as a P3. Construction on the north leg will be completed by 2011 and will feature eight interchanges, five flyovers and no traffic lights.

In Calgary, we continued to make progress on the northeast Stoney Trail ring road and expect this section to be completed by fall 2009. As for Stoney Trail northwest, we anticipate a partial opening in fall 2008, with full opening in fall 2009.

In the Fort McMurray area, we began construction on the first section of Highway 63 twinning south of Fort McMurray, continued twinning north of the city, resumed paving on Highway 63 from Beacon Hill to north of Confederation Way, and began construction on the approaches to the new five-lane bridge across the Athabasca River Bridge in Fort McMurray.

As part of our efforts to reduce the number of people killed or injured on Alberta's roads, we continued to put significant funding into vehicle and driver safety programs, monitoring of the commercial carrier industry and safety initiatives including implementation of the Traffic Safety Plan, another of the Ministry's three mandates.

Our third mandate was to develop a new provincial aviation strategy to explore options to ensure the viability of small airports in Alberta. Accordingly, we held consultations with key provincial, municipal and industry stakeholders to develop the Small Airports Strategy for consideration by government.

Regarding the commercial trucking industry, we continued to harmonize motor carrier regulations with regulations across Canada. We also began using innovative thermal imaging technology to enhance safety inspections of commercial vehicles and take unsafe trucks off Alberta's roads.

In support of municipal infrastructure, we provided more than $1.3 billion in grants to municipalities in 2007-08 to help fund their priority infrastructure projects. Local governments were able to use this funding for projects including roads, bridges, public transit, water and wastewater and emergency services.

To help develop infrastructure to meet local and government needs, we supported water supply, water and wastewater treatment, and disposal facilities through funding under the Water for Life program. We provided about $106 million towards 136 different water-related projects across the province.

In partnership with Justice and Attorney General, and Solicitor General and Public Security, the Ministry continued to provide project oversight of design and construction for the new Calgary Courts Centre, which opened to the public in September 2007. Government financed the facility with private sector partners responsible for designing, constructing and operating the facility over a 30-year term. The new court facility is designed to achieve the Leadership in Energy and Environmental Design (LEED) Silver standard and will meet the BOMA Go Green Standard for environmentally-friendly operations. Work also began on Phase II of the project including demolishing the Court of Queen's Bench and constructing a 700-stall underground parking garage and urban park.

In collaboration with Solicitor General and Public Security, the Ministry began site preparation for the new Remand Centre in north Edmonton. This 2,000-bed facility is being implemented on a construction management basis. This will accelerate construction and mitigate cost escalation by allowing construction of the foundation to begin while the final design is being completed. Anticipated completion is November 2011.

To reduce capital costs and enhance flexibility to meet enrolment needs, the Ministry developed six core designs for kindergarten to Grade 9 schools, to be used in conjunction with steel-framed modular classrooms.

The concept involves constructing a permanent core school with permanent classroom space (about 30 per cent of total required), administration, gymnasium, washroom space and mechanical/electrical rooms sized to accommodate peak enrolments. High-performance modular classrooms can be added or subtracted to accommodate changing enrolments.

The school designs were incorporated into the Alberta Schools Alternative Procurement (ASAP) Phase I initiative. We provided technical support for this project which will provide 18 new K-9 schools, nine each in Edmonton and Calgary by fall 2010. Work also began on preliminary planning and site selection for ASAP Phase II. Initial work also began on core school designs for these grade configurations.

Work began on the Edmonton Clinic, a research-educational-health care facility. Led by the Ministry, the clinic joint project includes the University of Alberta and Capital Health.

In addition, we provided facilities support for all government ministries, through our management, maintenance and operation of government owned and leased facilities, land planning, land acquisition and leasing services. This includes sale of surplus government properties, and planning and project management services to renovate facilities to meet ministries' program delivery needs.

We also continued to administer the Natural Gas Rebates Program to more than one million eligible homes and businesses. In 2007-08, we provided about $329.5 million in rebates.

Looking down the road

Premier Stelmach assigned a shared minister's mandate for the coming year to the Ministers of Infrastructure and Transportation: To work with the President of the Treasury Board to provide the roads, schools, hospitals and other public infrastructure to meet the needs of a growing economy and population.

In addition, Premier Stelmach assigned each Minister an individual mandate. The minister's mandate for Infrastructure is to increase the efficiency of health and education infrastructure design and construction, while the minister's mandate for Transportation is to double the provincial investment in highway repaving and bridge repair over the next three years. Improving traffic safety on Alberta's roads continues to be a high priority for government.

With the assistance of skilled and dedicated staff from Alberta Infrastructure and Alberta Transportation, we will keep building on successes and work to meet the increasing demand for public infrastructure for the benefit of Albertans.

Original signed by

Luke Ouellette
Minister
Alberta Transportation

Original signed by

Jack Hayden
Minister
Alberta Infrastructure

Management's Responsibility for Reporting

The Ministry of Infrastructure and Transportation includes: the Department of Alberta Infrastructure and Transportation, and the Alberta Transportation Safety Board.

The executives of the Ministry have the primary responsibility and accountability for the Ministry. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the financial statements and performance results for the Ministry rests with the Ministers of Infrastructure and Transportation. Under the direction of the Minister, we oversee the preparation of the Ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and performance results, of necessity, include amounts that are based on estimates and judgments. The financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Ministers, in addition to program responsibilities, we establish and maintain the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control, which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money,
- provide information to manage and report on performance,
- safeguard the assets and properties of the Province under Ministry administration,
- provide Executive Council, Treasury Board, the Ministers of Finance and the Ministers of Infrastructure and Transportation any information needed to fulfill their responsibilities, and
- facilitate preparation of Ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling our responsibilities for the Ministry, we have relied, as necessary, on the executives within the Ministry.

Original signed by

Jay G. Ramotar
Deputy Minister
Transportation
September 8, 2008

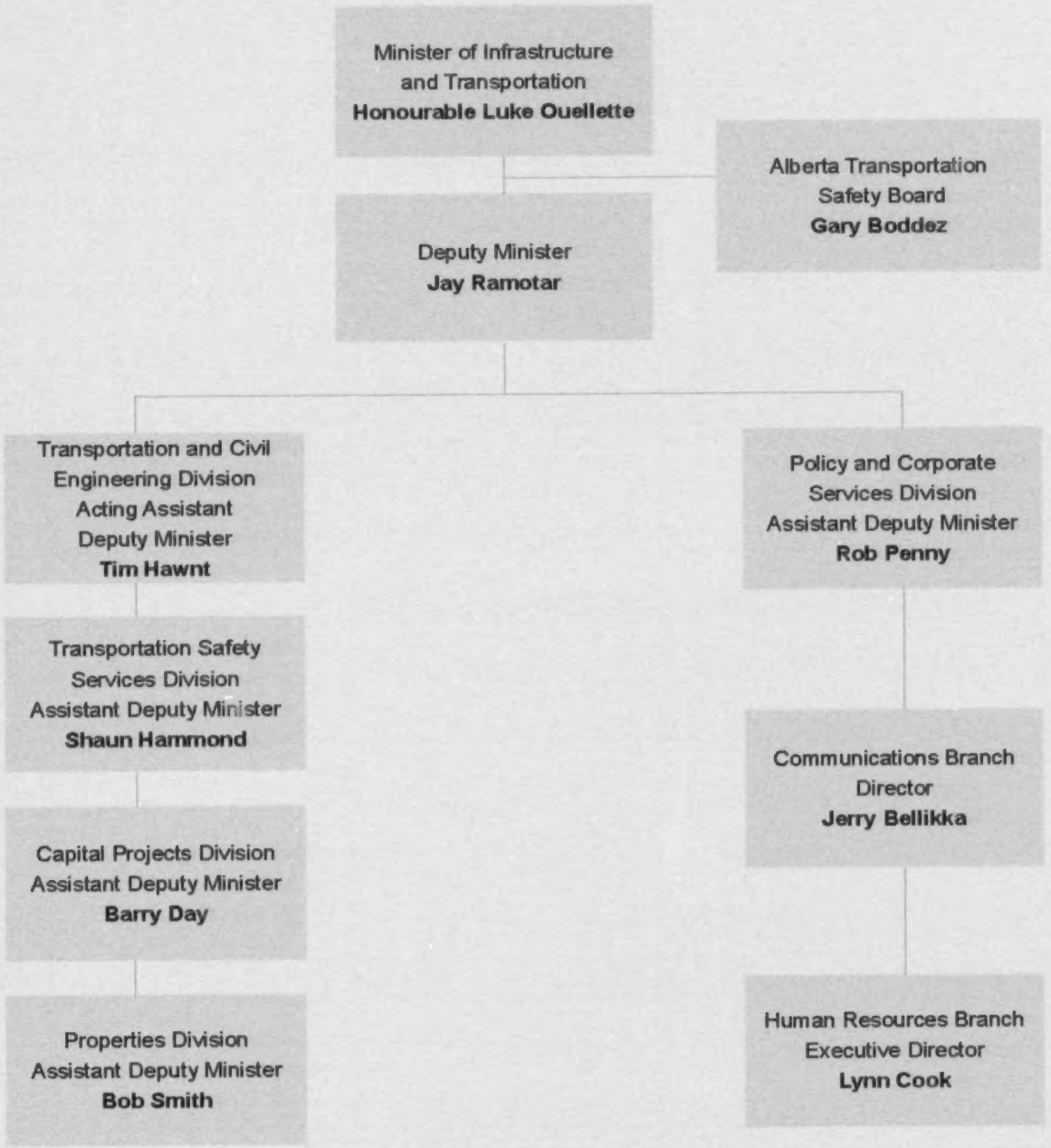
Original signed by

Barry Day
Deputy Minister
Infrastructure
September 8, 2008

Overview

Overview

The following organization chart represents the structure of Alberta Infrastructure and Transportation from April 1, 2007 to March 12, 2008, prior to the March 12, 2008 government restructuring.



The following organization chart represents the structure of Alberta Infrastructure from March 12, 2008 to March 31, 2008.

Minister of Infrastructure
Honourable Jack Hayden
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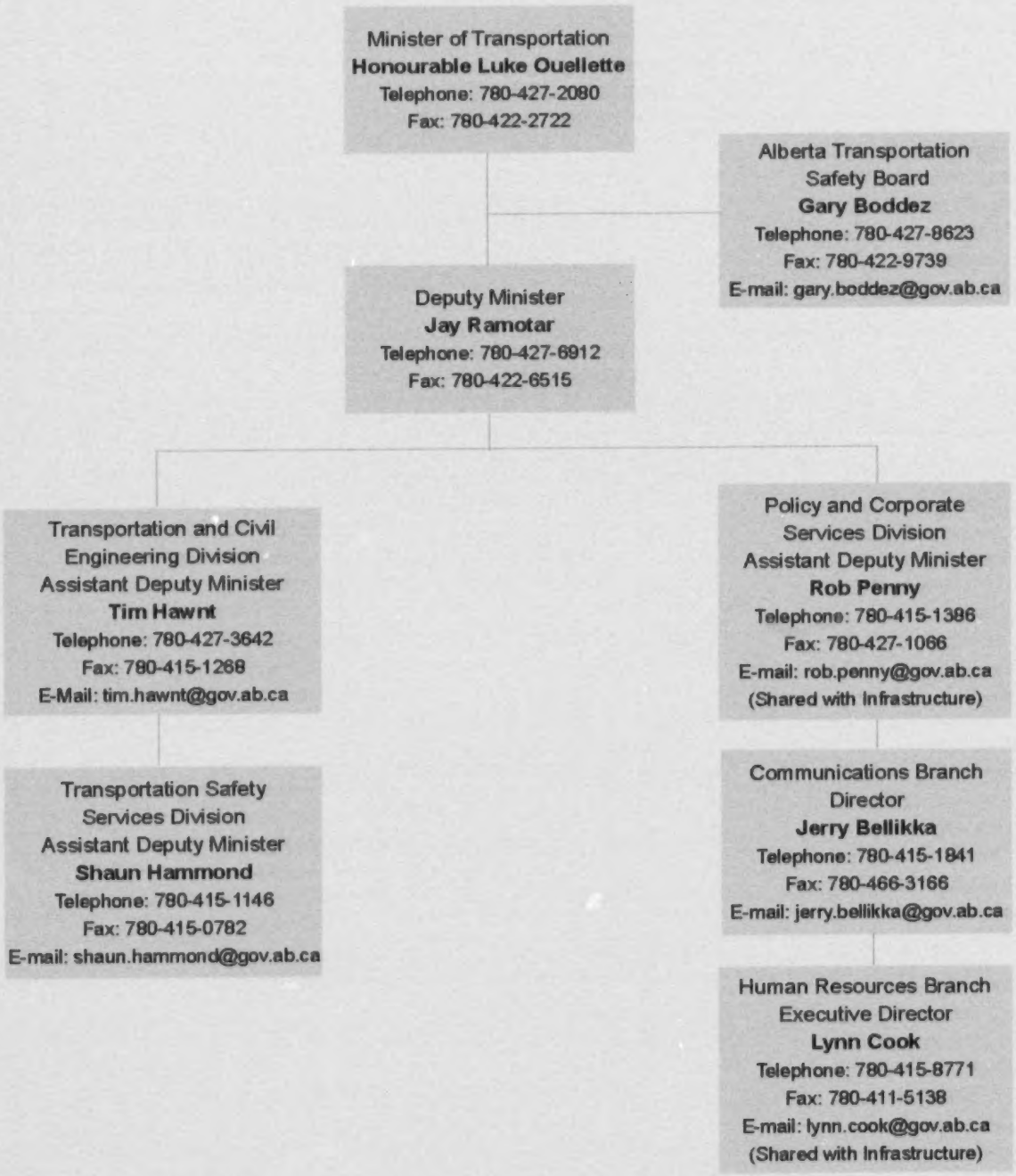
(Shared with Transportation)

The following organization chart represents the structure of Alberta Transportation from March 12, 2008 to March 31, 2008.



Vision

Alberta Infrastructure and Transportation is a Centre of Excellence providing effective infrastructure to support Alberta's growth and prosperity.

Mission

We contribute to Alberta's economic prosperity and quality of life through the provision and support of effective, safe, innovative and sustainable transportation, public buildings, and water and wastewater infrastructure.

Core Businesses

Core Business 1: Sustainable provincial infrastructure

Core Business 2: Safe, accessible and connected communities

Core Business 3: Strong stakeholder partnerships

Cross-ministry Initiatives

In conjunction with other ministries, the Ministry supported top priority government initiatives through its activities:

Expand the capacity of Alberta's highway system to address growth pressures

- Continued construction on the twinning of the North-South Trade Corridor.
- Development of the Asia-Pacific Gateway.
- Continued construction of urban corridors, such as the Edmonton and Calgary ring roads.
- Additions and improvements to the road network in high-growth areas, including the Regional Municipality of Wood Buffalo.

Managing complex government owned and supported infrastructure

- Work with partner ministries and other stakeholders in the development of plans to address deferred maintenance.
- Identify and manage priority capital projects.
- Greater focus on addressing capital project priorities with use of alternative financing opportunities, including public-private partnerships, to provide needed infrastructure.

Support for the Government of Alberta's top strategic priorities

- Managing a variety of long-term grant programs for local authorities.
- Supporting the Water for Life strategy.
- Participating in the development of a Land-use Framework.

Develop a new provincial aviation strategy to explore options to ensure the viability of small airports in Alberta

- Explore various options available to provide Albertans with an optimal return on the province's investment in small airports.

Implement a provincial Traffic Safety Plan to reduce the number of collisions on Alberta roads

- Continued work in partnerships with Justice, Solicitor General and Public Security, and other government ministries and external stakeholders.

Results Analysis

AUDITOR GENERAL *Alberta*

Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Measures

To the Members of the Legislative Assembly

Management is responsible for the integrity and objectivity of the performance results included in the *Ministry of Infrastructure and Transportation's 2007-2008 Annual Report*. My responsibility is to carry out the following specified auditing procedures on performance measures in the annual report. I verified:

Completeness

1. Performance measures and targets matched those included in Budget 2007. Actual results are presented for all performance measures.

Reliability

2. Information in reports from external organizations, such as Statistics Canada, matched information that the Ministry used to calculate the actual results.

3. Information in reports that originated in the Ministry matched information that the Ministry used to calculate the actual results. In addition, I tested the processes the Ministry used to compile the results.

Comparability and Understandability

4. Actual results are presented clearly and consistently with the stated methodology and are presented on the same basis as targets and prior years' information.

I found an exception for the measure *Physical Condition of Learning Facilities – Schools in good, fair, or poor condition*. I am unable to conclude that the results presented were reliable (procedures 2 and 3) because I was unable to verify changes made by the Ministry to the external consultants' reports used to prepare the measure.

Management has explained in the Results Analysis section under Goal 5 that they are continuing to review and refine controls for managing facility assessment data provided by external consultants.

As my examination was limited to procedures 1 to 4 above, I do not express an opinion on whether the set of measures is relevant and sufficient to assess the performance of the Ministry in achieving its goals.

The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.

Original Signed by Fred J. Dunn, FCA

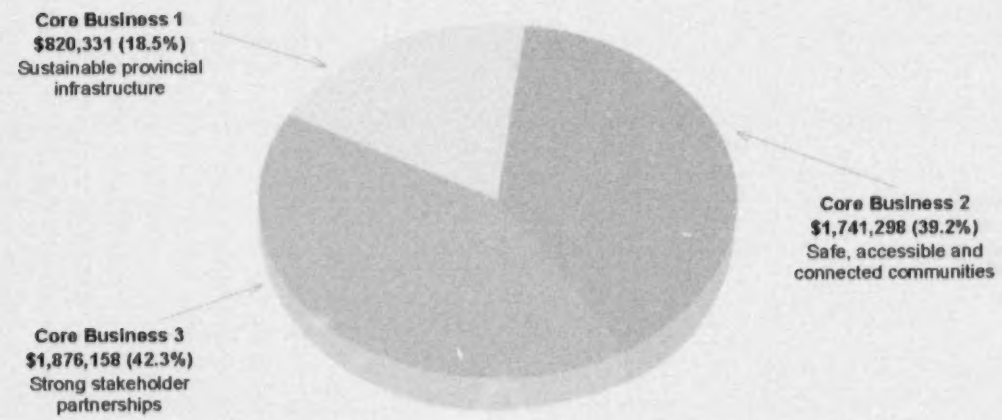
Auditor General

Edmonton, Alberta
August 26, 2008

Expense by Core Business

Financial Resources (thousands of dollars)	
Planned Spending (Estimates)	4,760,469
Total Authorized	4,921,858
Actual Spending in 2007-08	4,437,787
Actual Spending in 2006-07	3,730,183

Alberta Infrastructure and Transportation
2007-08 Ministry Spending by Core Business
(Operating Expense and Capital Investment Combined)
(000's)



Initially, Alberta Infrastructure and Transportation received $4.8 billion in approved Planned Spending (Estimates) in 2007-08. During the fiscal year, the target Estimates were increased to $4.9 billion. The additional funding of $161.4 million was the result of funding reprofiled from 2006-07 to 2007-08 due to project delays including the Royal Alberta Museum, the Edmonton Remand Centre, and staged delivery of major projects to 2007-08 within the Provincial Highway Systems, and Strategic Economic Corridor Investment Initiative programs as a result of construction delays. Major projects include the North-South Trade Corridor and Edmonton and Calgary ring roads.

Overall, the total 2007-08 expenditures were lower than Estimates by $322.7 million, which was primarily due to lower natural gas prices resulting in reduced rebate payments, fewer de-designations of provincial highways to municipalities, and capital construction projects being reprofiled from 2007-08 to 2008-09.

The $707.6 million increase in actual spending during 2007-08 compared to 2006-07 was primarily the result of one-time funding approved for highway projects in resource development areas, the commencement of construction on the Northeast Stoney Trail section of the ring road in Calgary, and additional grants being provided to Edmonton and Calgary to address priority water and wastewater infrastructure projects.

Expense by Function

In accordance with Government of Alberta accounting principles, Alberta Infrastructure and Transportation classifies its expenses into ten functions. Each of these functions identifies the principal purpose for which Ministry expenditures are incurred. It should be noted that Expense by Function is only for operating expenditures.

Expense by Function by Dollars (in thousands)	2007-08 Budget (Estimates)	2007-08 Actual	Comparable 2006-07 Actual
Transportation, Communications and Utilities	2,443,189	2,290,474	2,173,048
General Government	490,746	461,586	383,178
Protection of Persons and Property	42,542	37,661	38,682
Health	777	24,533	29,455
Environment	25,125	32,235	26,474
Agriculture, Resource Management and Economic Development	50,000	26,128	15,934
Debt Servicing Costs	7,964	7,964	-
Education	2,030	6,065	4,510
Housing	-	3,147	2,402
Regional Planning and Development	2,994	3,713	2,671
Total Ministry	**3,065,367**	**2,893,506**	**2,676,354**

Overall, approximately 95 per cent of the Ministry's expenditures support the functions of Transportation, Communications and Utilities and General Government.

Discussion and Analysis of Results

In 2007-08, Ministry spending supported delivery of the following three core businesses:

Core Business 1: Sustainable provincial infrastructure

The primary programs linked to this core business include: Property Operations, Capital and Accommodation Projects, Government Owned Facilities Preservation, the Swan Hills Treatment Centre, Provincial Highway Maintenance and Rehabilitation, and Water Management Infrastructure.

Financial Resources (in thousands)	Operating Expense	Capital Investment
Planned Spending (Estimates)	691,010	246,166
Total Authorized	654,960	289,196
Actual Spending in 2007-08	667,097	153,234
Actual Spending in 2006-07	622,084	196,222

The total under-expenditure of $116.8 million relative to planned spending is primarily due to Capital and Accommodation Projects funding re-scheduled from 2007-08 to 2008-09 for project delays related to the Royal Alberta Museum, the Edmonton Remand Centre, and the Calgary Courts Centre Parkade.

When taking the Operating Expense and Capital Investment Votes together, the overall net increase of $2 million in spending in 2007-08 compared to 2006-07 is primarily due to inflationary increases to contractor services, and to address priority highway maintenance projects. These operational increases were offset by a decrease in Provincial Highway Rehabilitation, primarily due to a recent decision to capitalize certain highway rehabilitation projects, and a decrease in Capital and Accommodation Projects, primarily due to funding rescheduled from 2007-08 to 2008-09 for various project delays as mentioned above.

Goal 1 – Provide safe and efficient provincial infrastructure for individuals and communities.

Strategic Approach

1.1 Continue to manage the construction and rehabilitation programs for provincially supported, major water management infrastructure.

1.2 Work with partners and stakeholders in developing strategies to improve access for seniors and persons with disabilities, including transportation facilities and systems and barrier-free access in all planned infrastructure construction projects.

1.3 Ensure accessibility needs for persons with disabilities continue to be fully considered in Ministry building design standards, policies, programs and projects.

1.4 Continue to identify and implement leading practices to operate the Swan Hills Treatment Centre in a safe and efficient manner.

1.5 Implement approaches identified to minimize deterioration of provincial highways to reduce the amount of major maintenance required, such as new rehabilitation materials and methods, enforcement of road restrictions and bans, and revised load weights and dimension regulations.

1.6 Apply environmental management and remediation initiatives to address identified concerns at properties owned by the government.

1.7 Continue with the approved physical building and site security implementation plan for government facilities, which will initially focus on the higher risk facilities by installing new or replacing and expanding obsolete security systems.

Results

- Applied all of the current building design standards and building codes to allow barrier-free access to government buildings. Some of the most common barrier-free access points include access to parking, front entry, washroom, elevator and fire alarm warnings.
- Part of the ongoing work on government-owned buildings incorporated barrier free upgrades. Over $25 million was spent on major maintenance which included many barrier free access upgrades to government-owned buildings.
- Performed an assessment to determine the long-term viability of the Swan Hills Treatment Centre and the continuing worth of the Centre to the province. The assessment recommendations are currently being considered by government.
- Automated route analysis of overweight and oversize loads through the Transportation Vehicle Information Systems (TRAVIS) as one approach to managing truck weight, dimension and safety limits on provincial highways and municipal roads.
- Developed a strategy to address the preservation backlog of provincial highways. On August 15, 2007, projects worth $142 million were tendered, with Treasury Board releasing another $126 million for 2008 construction. By mid-December, all 2008 projects had been tendered.
- Created enforcement plans to ensure maximum life of the infrastructure. Extra patrols and monitoring were completed to identify roads and bridges that were susceptible to damage.
- Invested $1 million in three provincial infrastructure projects in Red Deer - the Remand Centre, Michener Centre and Marwayne Building - to reduce operating and maintenance costs and cut emissions. The projects are part of a $350 million commitment by government to fix and maintain more than 100 schools, hospitals, post-secondary facilities and government buildings across the province.
- Certified 33 buildings with Building Owners and Managers Association (BOMA) Go Green out of planned 90 buildings over three years. The Ministry is on target to achieve the three year goal.
- Completed construction on the $5 million containment and groundwater treatment system at the Turner Valley Gas Plant. The containment and treatment system will capture hydrocarbons and other contaminants from the historic Turner Valley Gas Plant preventing them from flowing off-site and entering the Sheep River.
- Upgrades were made to improve physical security with a focus on court houses and provincial buildings. Ten buildings were equipped with card access systems, video monitoring and improved perimeter lighting.

- Opened the Calgary Courts Centre to the public on September 4, 2007. This project was done in partnership with the private sector to design, build and operate the facility which will house 73 court rooms, with accommodation for future expansion. Unique techniques, methodology and instrumentation for commissioning advanced audio/visual control systems were used throughout the construction.
- Continued with the application of the Leadership in Energy and Environmental Design (LEED) Silver standard and integrated it into the design processes for new buildings including: Edmonton Clinic, Alberta Schools Alternative Procurement project, new Edmonton Remand Centre, Brooks Greenhouse, Westerra High School, and Sexsmith school.
- Commenced construction of the new Edmonton Remand Centre in March 2008 using a new construction-management approach. This approach mitigates the effects of construction cost escalation by designing and completing tender packages based on construction phases, instead of completing all the design and then tendering one package. The health care "pod" (one component building of the group that makes up the entire new remand centre) is substantially complete. The central administration building, the largest component, is well on it's way to completion, and foundation work has commenced on the remaining five pods.
- Enhanced industry collaboration was carried out with the cities of Calgary and Edmonton. A comprehensive listing of vertical infrastructure projects across the province was developed and circulated to the Consulting Engineers of Alberta (CEA), the Alberta Association of Architects (AAA) and the Alberta Construction Association (ACA) to facilitate strategic corporate planning by their member organizations. A new committee, the Institutional Infrastructure Partners Committee (IIPC), was formed with these industry partners and will provide an ongoing forum for information sharing, issues resolution, and improved capital programming.
- Implemented and applied procedures from the "Mould in Indoor Environments and Risk Assessment and Management Program Handbook" for all government owned and supported facilities. The handbook includes: Program Overview; Environmental Health Advisory; Safe Operating Procedures – Mould Prevention; Indoor Air Quality Guidelines; Safe Operating Procedures – Mould Remediation.
- Continued work on the Sam Livingston Fish Hatchery in Calgary, including completion of the base building renovations and additions to accommodate interpretive exhibits, ongoing work on exhibits and a new bog "fen" (floating pen), and commencement of pre-design for upgrades to the water treatment and waste disposal facility.
- Carried out a preliminary engineering study in 2007 to determine the feasibility of redeveloping the Federal Building. It was determined that it would be more cost-effective to renovate the building rather than demolishing it and building new. Design work on the Federal Building, plaza and parkade commenced and the first phase of hazardous materials removal from the Federal Building started in 2007-08 and should be completed by December 2008.
- Completed work on the seniors lodges at Willow Creek in Stettler and Spruce View in Whitecourt. Work also commenced on Sandstone Lodge in Okotoks, Gardenview in Lethbridge, Chinook Winds in Carstairs, Shawnessy Lodge in Calgary, Cypress View in Medicine Hat, and Whispering Waters in Stony Plain.

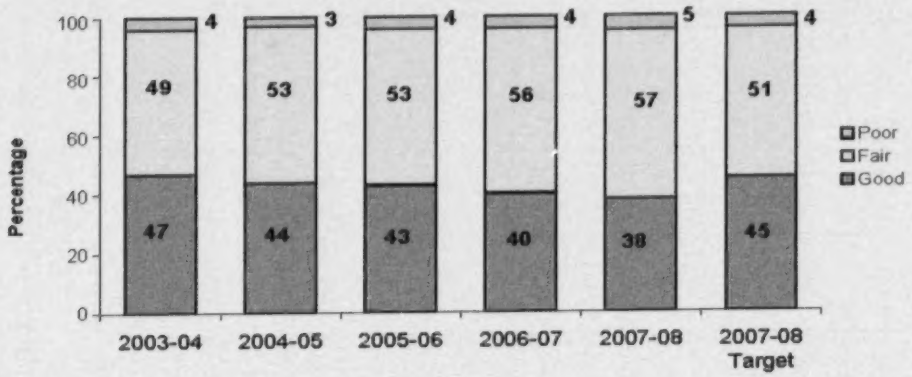
Performance Measures

Infrastructure and Transportation utilized five measures to indicate how well it achieved Goal 1 in 2007-08.

Government Owned and Operated Facilities

1.a Government Owned and Operated Facilities – Physical condition

Government Owned and Operated Facilities - Physical Condition



This measure is the percentage of replacement value of government owned and operated facilities over 1,000 gross square metres that were rated in good, fair or poor physical condition. Under the Government of Alberta's Capital Planning Initiative, definitions for physical condition are as follows:

Good - Adequate for intended use and expected to provide continued service life with average maintenance.

Fair - Aging components are nearing the end of their life cycle and require additional expenditures for renewal or refurbishing.

Poor - Upgrading is required to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary.

The measure rates the condition of buildings and is therefore a measure of how well building infrastructure is being maintained. The percentages are calculated by the total five-year maintenance event cost and dividing by the total replacement value of all facilities.

The condition of each building was based on an assessment of a building's five major systems (structural, envelope, interior, mechanical and electrical). The evaluator selected a condition rating (from 1 to 6) for each system by matching the overall condition with a set of definitions. A weighted average of the five system ratings produced the overall building rating. Ratings one, two and three were rated as poor, four was rated as fair, and five and six were rated as good. This measure is linked to Core Business 1 "Sustainable provincial infrastructure" and Goal 1

"Provide safe and efficient infrastructure for individuals and communities" from the Infrastructure and Transportation published 2007-10 Business Plan. The Physical Condition of Government Owned and Operated Facilities measure links to Goal 4 of the Government of Alberta 2007-10 Strategic Business Plan.

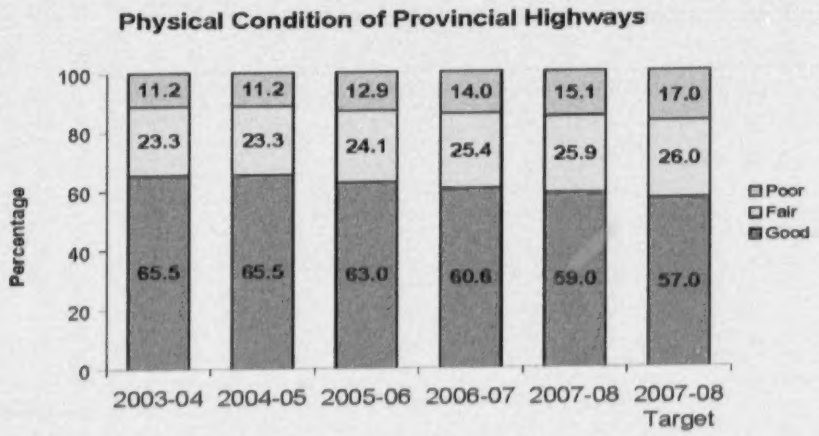
The percentage of government owned and operated facilities over 1,000 gross square metres that are rated in good, fair and poor condition was 38 per cent, 57 per cent and five per cent, respectively. Although performance was below the target for facilities in good condition, the target for facilities in fair condition was exceeded and the percentage of facilities in poor condition remained stable, increasing by one percent compared to 2006-07, just short of the target. Many government owned and operated facilities were built between 1975 and 1985 and are approaching a time when major upgrading or refurbishment will be required to maintain them.

The data was collected through condition assessments by Ministry staff and consultants over a five-year cycle, with one-fifth of the owned buildings evaluated each year. Facilities owned by the provincial government but leased or operated by others were excluded from this measure. The data collected is stored in an electronic database using a program called Real Estate Capital Asset Priority Planning (RECAPP). RECAPP is produced and maintained by a private sector vendor. The software and its associated methodology are used by other jurisdictions in education, public works and property management settings. A Ministry-wide interpretation of Facility Condition Index (FCI) values has been adopted. If the building has an FCI of less than 15 per cent, it is in good condition; if it is greater than 15 and equal to, or less than 40 per cent, it is in *fair* condition; and if the FCI exceeds 40 per cent, it is in poor condition. Government-owned buildings will begin using the FCI valuation in reporting building condition during the next Business Planning Cycle.

With over 80 per cent of the buildings being more than 20 years old, it will continue to be a challenge to balance the need to maintain existing aging infrastructure while addressing the requirements for new infrastructure to best serve Albertans.

Provincial Highways

1.b Physical Condition of Provincial Highways



The condition measure defines the percentage of the paved highway network that is in good, fair and poor condition. The International Roughness Index (IRI) measures the roughness of roads and is used as an indicator of the overall physical condition of provincial highways. The segments in poor and fair condition are those that require attention now or in the near future.

The condition measure was established to ensure the quality of the paved highway network is sustainable and that business, pleasure and commercial traffic can travel safely and comfortably. This is important in maintaining present levels of economic development and supporting future growth.

Physical condition ties to Core Business 1 "Sustainable provincial infrastructure" and to Goal 1 "Provide safe and efficient infrastructure for individuals and communities" from the Infrastructure and Transportation published 2007-10 Business Plan. It links to the Government of Alberta 2007-10 Strategic Business Plan Goal 10, "Alberta will have effective and efficient transportation infrastructure."

The results for 2007-08 indicate that the percentages of paved highway in good, fair and poor condition are 59.0 per cent, 25.9 per cent and 15.1 per cent respectively. This is better than the established targets but still shows a continuing deterioration. This is due to the fact that the infrastructure is aging and that present base budgets are insufficient to adequately accommodate that aging.

The identification of roads as good, fair, poor relies on standards established as a result of a comprehensive research study conducted on the Ministry's behalf by the University of Calgary in 2002 of condition and other performance measures. The study's recommendations resulted in establishing condition trigger values. Trigger values are defined as the boundary between categories of good-fair and fair-poor, and are set using a proactive life cycle analysis approach. The values are categorized by road classification and are based on one-kilometre segments.

Alberta Infrastructure and Transportation Standards		
IRI Rating	**110 km/h Highways**	**< 110 km/h Highways**
Good	< 1.5 m/km	< 1.5 m/km
Fair	1.5 – 1.89 m/km	1.5 – 2.09 m/km
Poor	≥ 1.9 m/km	≥ 2.1 m/km

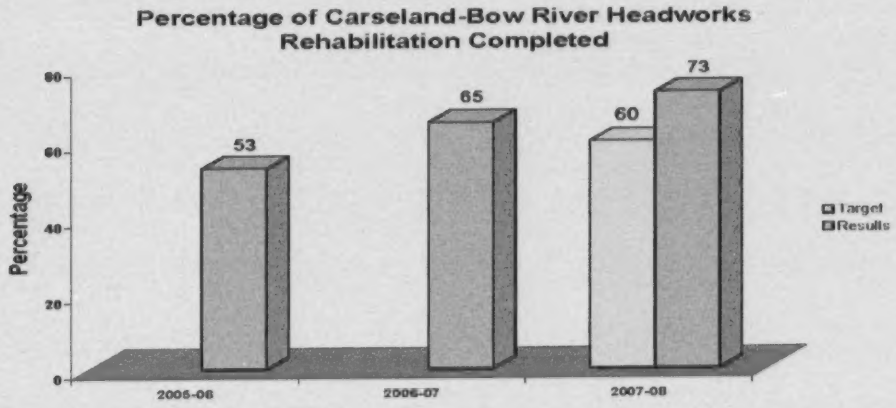
After existing good, fair, poor segments are identified, anticipated work activities and pavement deterioration rates are incorporated to determine future performance targets.

The IRI rating for all highways is obtained through data collected annually by consultants on behalf of the Ministry. Using laser-based equipment, the consultant reports the average IRI value over a 50-metre segment of the highway. This detailed data is further averaged over one-kilometre sections to provide an assessment of condition over practical lengths.

Approximately 9,600 kilometres of Alberta's paved provincial highways are approaching an age where rehabilitation/reconstruction must be considered. This is an increase of 900 kilometres from 2006-07. Based on the size of the existing network, approximately 1,500 kilometres of highway should be resurfaced each year.

Water Management

1.c Progress on Completion of Major Water Management Construction Projects



This measure reflects the construction progress on major water management projects. Related activities include design, land acquisition and obtaining regulatory approvals, which precede the construction phase of each project and are not reflected in this measure.

By measuring the construction progress on major water management projects, Infrastructure and Transportation is able to demonstrate its ability to successfully complete these important water management projects which helps to ensure the province is able to meet its water management objectives.

This Progress on Completion of Major Water Management Construction Projects measure supports Core Business 1 and Goal 1 from the Infrastructure and Transportation published 2007-10 Business Plan. This measure links to Goal 10 of the Government of Alberta 2007-10 Strategic Business Plan.

Infrastructure and Transportation works with Alberta Environment to provide quality water management facilities and a secure water supply for municipal, domestic, agriculture, industry, recreation and other purposes. Such projects include dams and reservoirs, and canals. Some of the works include construction of flood management and erosion control measures, such as dykes and bank armouring. The total budget for 2007-08 was $22 million, including land, engineering and construction. However, additional resources were provided which increased the available funds to $29.56 million, a 34 per cent increase.

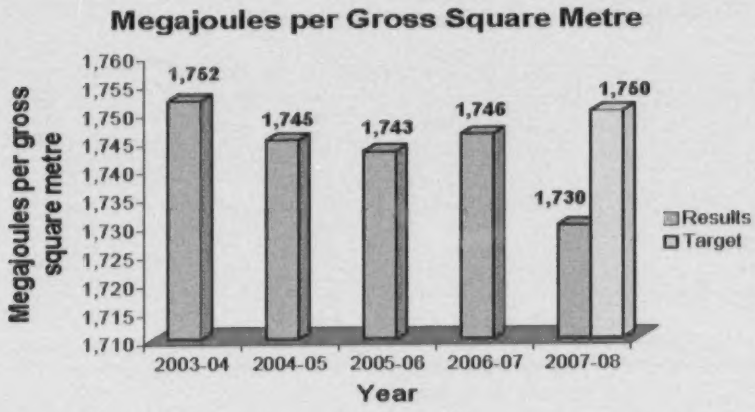
The methodology for calculating the performance measure was revised during 2006-07 to reflect the changing construction environment. Instead of tracking dollars spent, the measure is now calculated by tracking the number of kilometres of canal rehabilitated and the number of related structure sub-components replaced out of the total scope of the project implementation program.

This measure is monitored throughout the year by tracking construction contracts issued. The final results for the measure are based on the actual construction completed during the fiscal year, as reported by the engineering consultants and verified by Infrastructure and Transportation staff.

The primary trends that could impact the outcome of this particular measure include regulatory changes at the federal level, lack of construction industry capacity, weather, and the ability of the contractors to meet the project schedule. Such trends are monitored very closely and adjustments made as needed.

Government Owned and Operated Facilities

1.d Energy Consumption per Square Metre in Government Owned and Operated Facilities



Infrastructure and Transportation monitors the annual energy efficiency (natural gas and electricity) of government-owned buildings operated by Infrastructure and Transportation.

The Ministry is responsible for effectively managing all owned facilities to support the delivery of government programs. This includes monitoring energy usage on an ongoing basis and identifying and implementing energy saving initiatives to achieve the cost and environmental benefits associated with reduced energy consumption.

This measure ties to Core Business 1 and Goal 1 from the Infrastructure and Transportation published 2007-10 Business Plan. Energy Consumption per Square Metre in Government Owned and Operated Facilities measure links to Goal 4 of the Government of Alberta 2007-10 Strategic Business Plan.

The measure indicates how effectively the Ministry is managing energy and associated costs in government-owned buildings using a simple formula: the total annual energy consumption for all buildings divided by the buildings' total gross square metres.

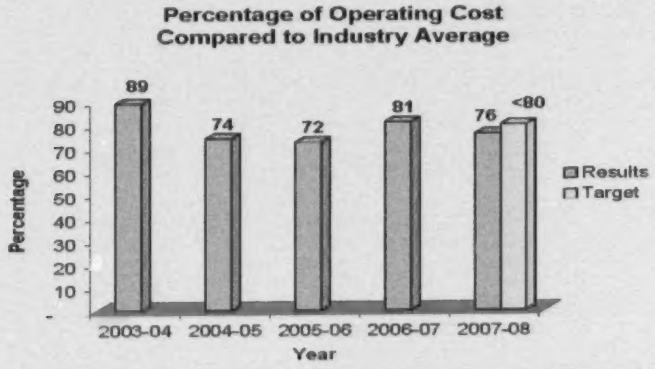
Energy consumption data for over 1,000 gas and electricity sites is provided by various retailers during the year and entered into the Energy Consumption Reporting System. The data is validated, converted from gigajoules and kilowatt-hours into megajoules, and totalled for all buildings. The gas total is adjusted using monthly actual and normal degree data from Environment Canada to compensate for weather variations. To calculate the measure, the total weather-adjusted consumption is divided by the total square metres based on building areas reported by the Building and Land Information Management System (BLIMS).

The improved result for 2007-08 is primarily attributable to the addition in August 2007 of the new 122,000 square metre Calgary Courts Centre, which was designed to meet the energy efficiency standards for Leadership in Energy and Environmental Design (LEED) Silver buildings.

This measure is affected by several factors that may vary annually including changes to the inventory of owned buildings, changes to building usage and occupancy levels, and climate variations. As potential energy saving measures are identified and implemented, there will be fewer opportunities to improve energy performance through conservation measures alone.

Results

1.e Average Operating Cost per Square Metre of Government Owned and Operated Office Space

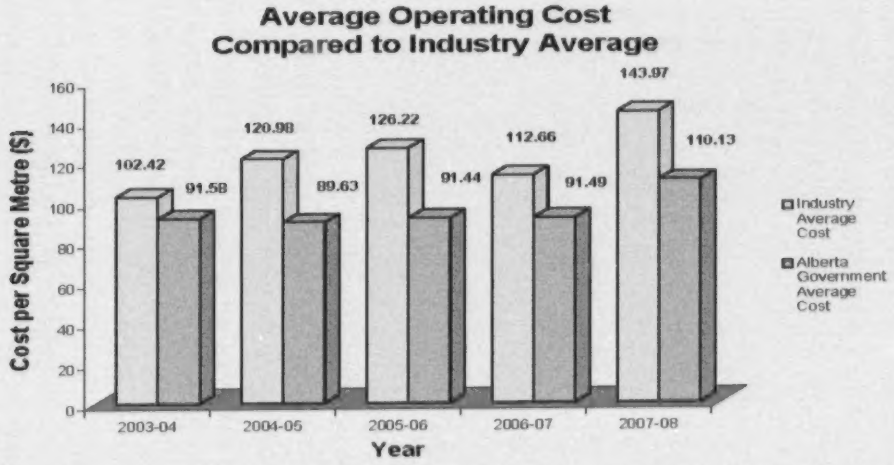


This measure compares the average annual operating cost of rentable square metres of office space in government-owned facilities operated by Infrastructure and Transportation with the Alberta industry average. The Ministry's target is to keep the average operating cost per rentable square metre of office space below 80 per cent of the industry average.

The Ministry is responsible for effective management of all owned facilities to support the delivery of provincial government programs. This includes incorporating industry best practices to control costs and maintain the value of building infrastructure. Cost comparisons against industry averages, in total and for specific maintenance functions, allow the Ministry to identify and respond to areas of concern and identify opportunities for cost-effective improvements.

This measure ties to Core Business 1 and Goal 1 of the Infrastructure and Transportation published 2007-10 Business Plan. Average Operating Cost per Square Metre of Ministry-Owned and Operated Office Space measure links to Goal 4 of the Government of Alberta 2007-10 Strategic Business Plan.

The average operating cost per square metre of $110.13 for Government is 76 per cent that of the $143.97 industry average cost. This exceeds Government's target of an average cost below 80 per cent. While the average cost increased over the 2006-07 year, the percentage compared to industry improved by five per cent – from 81 per cent to 76 per cent – and is consistent with previous years.



The measure is based on the methodology used in a survey conducted by Building Owners and Managers Association (BOMA) International of facilities management practices in eight office buildings in Alberta. The survey determines the average cost of building operations using established criteria. Areas excluded from the rentable space calculation include interior parking, elevator/mechanical shafts and external walls. Expenses included in the calculation are administration, caretaking, grounds, security/safety, routine building maintenance, utilities, insurance and grants in place of taxes.

This methodology is used to determine the average operating cost per square metre for 71 Government-owned office buildings using data from various systems. The result is compared to the Alberta industry average for the building included in the BOMA survey.

Inflationary pressures in the industry directly affect this measure, such as utility and contract cost increases and other costs required to maintain aging infrastructure.

Core Business 2: Safe, accessible and connected communities.

Specific Ministry programs linked to this core business include Provincial Highway Systems, Provincial Highway Maintenance, and Rehabilitation, Transportation Safety Services, the Transportation Safety Board, and the Strategic Economic Corridor Investment Initiative.

Financial Resources (thousands of dollars)	Operating Expense	Capital Investment
Planned Spending (Estimates)	428,293	1,334,345
Total Authorized	428,293	1,557,329
Actual Spending in 2007-08	413,104	1,328,194
Actual Spending in 2006-07	385,631	771,281

When taking the Operating Expense and Capital Investment Votes together, the total under-expenditure of $21.3 million relative to planned 2007-08 spending is primarily due to fewer designations of provincial highways to municipalities and capital investment funding reprofiled from 2007-08 to 2008-09 resulting in less funding required for amortization.

The overall net increase of $584.4 million in spending in 2007-08 compared to 2006-07 is primarily due to commencement of construction in 2007-08 for the Northeast Stoney Trail Ring Road in Calgary, one-time funding approved for highway projects in resource development areas and due to a recent decision to capitalize certain highway rehabilitation projects.

Goal 2 – Provide a safe, secure and reliable provincial transportation network.

Strategic Approach

2.1 Implement strategies to improve the transportation network to support economic growth in areas such as the Regional Municipality of Wood Buffalo and the Grande Prairie region.

2.2 Continue the development of access routes and inter-modal trade corridors to better connect Alberta shippers to the United States and other world markets, including continued progress on the North-South Trade Corridor and implementation of the Provincial Freeway Corridor Management Plan.

2.3 Continue to plan, design and construct the ring roads in Calgary and Edmonton.

2.4 Renew the partnership with Transport Infrastructure and Communities Canada to ensure the transportation of dangerous goods is safe and secure within Alberta.

2.5 Improve highway safety through Intelligent Transportation Systems, including Automated Vehicle Identification to support safe commercial vehicle operators.

Results

- Updated the Strategic and Long Range Plans including strategies to improve the transportation network to support economic growth in areas such as the Regional Municipality of Wood Buffalo and the Grande Prairie region.
- Spent $75 million in the Regional Municipality of Wood Buffalo to improve the transportation network through projects such as the twinning of Highway 63 south of Fort McMurray. Also in the area, construction started on a new, five-lane bridge across the Athabasca River that will become the largest bridge in Alberta when completed. The project will cost $127 million and is entirely funded by the province.
- Invested $45 million in the Grande Prairie area to improve the highway network through projects such as the twinning of Highway 2 north of Grande Prairie.
- Completed most of the twinning of Highway 43 between Edmonton and Grande Prairie. Highway 43 forms the northwest leg of Alberta's North-South Trade Corridor and runs 432 kilometres from its junction with Highway 16 west of Edmonton to Grande Prairie. The Alberta government has invested $1.3 billion to develop the North-South Trade Corridor since 1998, including $566 million since 1998 to twin Highway 43.
- Completed construction on the South Edmonton Ring Road, opening an 11-kilometre freeway to reduce traffic congestion in the southeast. The South Edmonton Ring Road is Alberta's first completed Public-Private Partnership (P3) highway project. Highlights include: 20 bridge structures, using five interchanges and no traffic lights, and is part of $800 million that the Alberta government has contributed to the southeast and southwest portions of the Anthony Henday Drive.
- Continued planning for future completion of the Edmonton and Calgary Ring Roads with functional planning studies completed for both North Edmonton and South East Calgary Ring Roads.

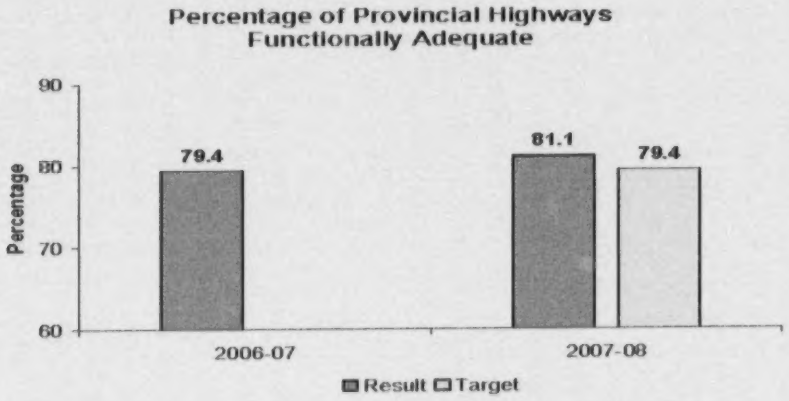
- Collaborated with Transport Canada to renegotiate the Canada-Alberta agreement on the Transportation of Dangerous Goods to ensure that the transportation of dangerous goods is safe and secure within Alberta. A new memorandum of understanding was signed by both parties that greatly enhances the federally delegated powers of the department dangerous goods inspectors and addresses prior jurisdictional issues.
- Partnered with the Alberta Motor Transport Association to establish the Partners in Compliance Program and installed an Automated Vehicle Identification bypass system, which allows for a full bypass of vehicle inspection stations for carriers with excellent safety practices. Member carriers are required to file less recurring documents and are subject to fewer audits as a result.
- Partnered with both the Government of Canada and provincial government of Saskatchewan to conduct a pilot project on the use of unmanned scale facilities at the Macklin site in Saskatchewan.

Performance Measures

Infrastructure and Transportation utilized three measures to indicate how well it achieved Goal 2 in 2007-08.

Provincial Highways

2.a Functional Adequacy of Provincial Highways



This measure indicates the percentage of provincial highways that meet target criteria for functional adequacy. A provincial highway is functionally adequate if the roadway meets acceptable width standards, has horizontal curves that allow normal travel speeds, has a paved surface where required, is free of road bans, and has had final paving completed as planned. The functional adequacy measure was established to ensure that the existing highway network is upgraded where necessary to meet standards so that the public can travel safely. It also has components that consider truck traffic restrictions and the timely completion of staged pavements.

The Functional Adequacy of Provincial Highways measure is linked with Core Business 2 and Goal 2 from the Infrastructure and Transportation Published 2007-10 Business Plan.

The results for 2007-08 indicate that 81.1 per cent of provincial highways are functionally adequate, as represented above.

The functional deficiencies for 2007-08 compared to 2006-07 are summarized below:

2006-07	Percentage	2007-08	Percentage
Road Bans	13.8	Road Bans	12.3
Width	4.3	Width	4.4
Geometrics	2.9	Geometrics	2.9
Surface Type	1.0	Surface Type	0.8
Final Paving	3.2	Final Paving	2.2
Total	**25.2**	**Total**	**22.6**
Duplicate Segments	-4.6	Duplicate Segments	-3.7
Functional Deficiency	**20.6**	**Functional Deficiency**	**18.9**

The total percentage of highways with deficiencies will be less than the sum of the above individual deficiencies. This is because certain segments have deficiencies in more than one area. For 2006 results, the difference between the sum of deficiencies and the total deficiency was 4.6 per cent. For 2007 results, this value is 3.7 per cent.

Road Ban deficiencies are significantly decreased from 13.8 per cent to 12.3 per cent, because of 2006-07 road improvement projects and good weather conditions.

Width and Geometric deficiencies are essentially unchanged from 2006-07.

Surface Type and Final Paving deficiencies are decreased from 2006-07, because of paving projects.

Functional adequacy is calculated by preparing an inventory of the various segments of highway that have deficiencies for any of the above factors, based on the Ministry's standards and practices. If a section of highway has a deficiency due to any of the factors, it is considered functionally inadequate. The percentage of the highway network that meets target criteria for functional adequacy is the total length of roadway minus the total length of roadway with a deficiency, divided by the total length of roadway, multiplied by 100. The methodology and data sources for each of the component factors are discussed below.

Width Deficiencies

Data on existing road widths is obtained from the Ministry's Pavement Management System. The acceptable road width for each highway is determined using the resurfacing, rehabilitation, restoration, and reconstruction (3R/4R) chapter of the Ministry's Highway Geometric Design Guide. Actual width and acceptable width are then compared to determine whether a deficiency exists.

Geometric Deficiencies
Geometric deficiencies are based on horizontal curve geometrics, using alignment data collected by consultants. This data is compared to requirements in the Ministry's Highway Geometric Design Guide to arrive at deficiencies.

Surface Type Deficiencies
A traffic volume of 400 vehicles per day and the provincial highway paving list on strategic roads are used to determine the need for a paved surface, and subsequently to identify deficiencies where the criterion is not met. Consultants collected traffic volume data and existing surface types are derived from the Ministry's internal Pavement Management System.

Final Paving Deficiencies
The final paving deficiencies are determined based on whether final paving has been completed as planned or not. The required timing of final paving is determined by the traffic volume on the highway.

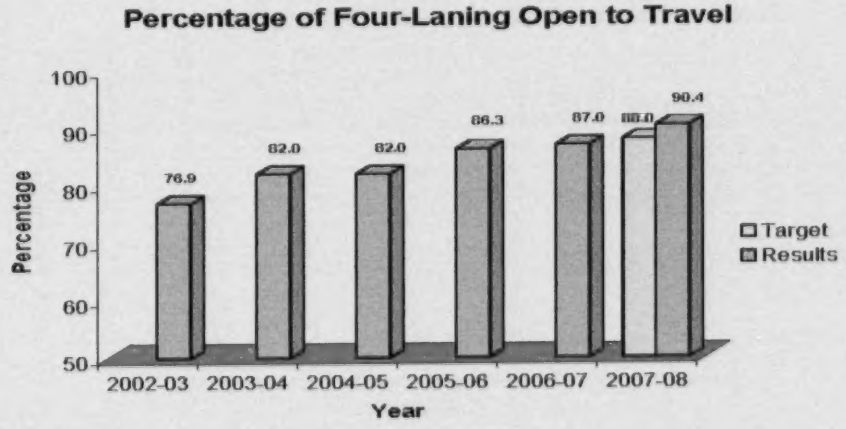
A deficiency analysis was conducted for every kilometre of the paved provincial highway network.

Road Bans
Road ban information for provincial highways is obtained using internal data sources. The Ministry monitors the need for road bans on the provincial highway system. As road bans are issued they are entered into an internal database, which is updated as the status of road bans changes for particular highways.

The analysis is done for every kilometre of provincial highway.

Rapid population growth within Alberta has meant more development occurring and urban areas expanding. Roads that carry increased traffic because they are located near, or provide access to, new developments may no longer be rated functionally adequate because the road is too narrow or not adequate for other reasons for the increased traffic levels. This leads to safety concerns.

2.b Construction Progress on the North-South Trade Corridor



This measure is the percentage (urban and rural) of the North-South Trade Corridor that is twinned and open to travel. The corridor extends from Coutts at the Alberta-United States border to the British Columbia border west of Grande Prairie, connecting Alberta to the Alaska Highway. It consists of approximately 1,170 kilometres of highway, of which nearly 100 kilometres are within various city limits.

The North-South Trade Corridor forms part of the Canada/America/Mexico (CANAMEX) Corridor linking the three countries and stretching from Anchorage, Alaska to Mexico City, Mexico. The goals of the CANAMEX Corridor are to improve the north-south flow of goods and people; increase transport productivity and reduce transport costs; promote a seamless and efficient inter-modal transport system; and reduce administrative and enforcement costs through harmonized regulations. Alberta's North-South Trade Corridor is a key component of the CANAMEX Corridor and is vital to the efficient movement of goods across the Canada-United States border at Coutts.

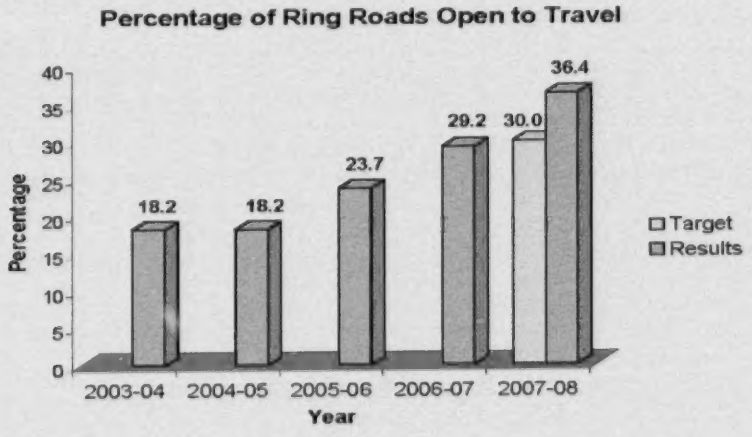
On a national scale, as trade with the United States and Mexico continues to grow, the trucking industry must be able to respond to the demands of the growing economy. Continued economic viability depends largely on Alberta's ability to respond to demands generated by the opening of new markets, just-in-time manufacturing and retailing, and e-business. Continued twinning of the North-South Trade Corridor will enhance the traveling public's safety while reducing costs for the trucking industry through time savings. Measuring completion of North-South Trade Corridor twinning demonstrates the continued development of major trade routes.

Alberta Infrastructure and Transportation has completed twinning 90.4 per cent of the North-South Trade Corridor and has thus met the target of 88.0 per cent.

The measure is based on construction project and highway network data. Percentage is calculated by totalling the number of kilometres twinned and open to travel versus the total kilometres of the corridor (1,170 kilometres).

Completion of the North-South Trade Corridor remains a priority. However, projects along this corridor require continued prioritization against other strategic initiatives such as the Calgary and Edmonton Ring Roads.

2.c Ring Roads in Edmonton and Calgary



This measure indicates the percentage of ring roads in Edmonton and Calgary open to multi-lane travel. The total corridor length consists of approximately 99 kilometres in Calgary and 80 kilometres in Edmonton.

The development of ring roads in the province's two major metropolitan areas is of paramount importance to economic development in the province and to ensure efficient and effective transportation systems in these two cities.

At the end of 2007-08, 36.4 per cent of the ring roads were open to travel as multi-lane facilities, compared to the target of 30.0 per cent.

Sustained high oil prices and market conditions such as labour shortages could contribute to increased costs for material and labour. Increased economic and population growth in the Edmonton-Calgary Corridor have raised expectations for alternate routes sooner to avoid traffic congestion and enable goods to quickly reach their market destination.

Alternative methods of financing, such as public-private partnerships, are being used so that construction of facilities like ring roads in major metropolitan centers can be expedited.

Goal 3 – Deliver safety-focused transportation education and enforcement programs.

Strategic Approach

3.1 Continue to implement Alberta's Traffic Safety Plan to reduce fatalities and injuries on Alberta roadways, which supports Road Safety Vision 2010, Canada's national road safety strategy, to meet national goals and make Alberta's roads safer.

3.2 Continue implementation of the Graduated Driver Licensing Program to enhance the safety skills of new drivers.

3.3 Improve highway safety by implementing enhanced elements to the National Driver Licensing Reciprocity Agreement, including implementing the Canadian Driver Licence Agreement.

3.4 Ensure commercial vehicle safety through mandated periodic inspection and on-highway inspection programs.

3.5 Employ innovative approaches to monitor, enforce and manage truck weight, dimension and safety practices on provincial highways, such as the National Safety Code and the Progressive Discipline Program.

Results

- Updated the long range strategic highway plan to address future needs in support of economic development.
- Finalized a three-year Traffic Safety action-plan and established Office of Traffic Safety and key positions filled including Director of Community Mobilization and Director of Policy, Research and Public Education.
- Developed a Community Mobilization Strategy for the Alberta Traffic Safety Plan (ATSP) to increase the capacity for shared planning within Alberta communities with respect to implementing the objectives of the ATSP.

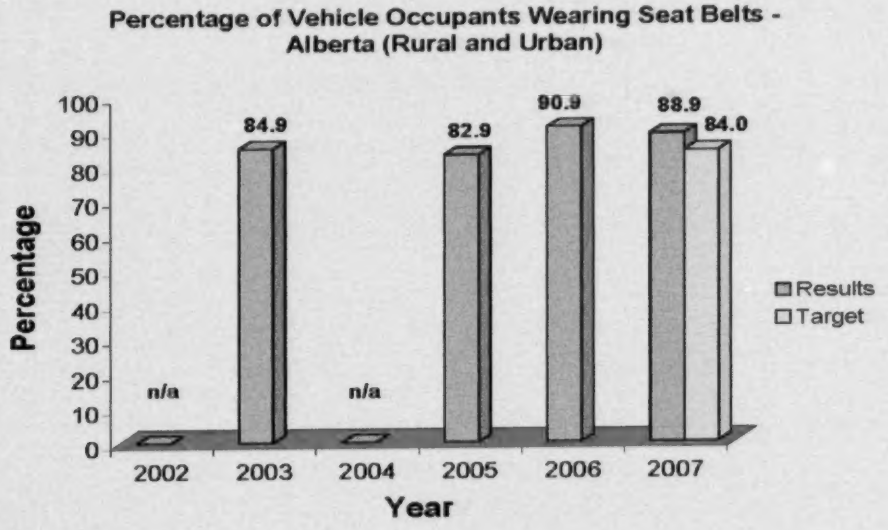
- Developed and created a pilot program for a Professional Driver certification through the partnership of Transportation Training and Development Association and Red Deer College.
- Implemented electronic driver knowledge tests in conjunction with registry agencies to replace written tests for new drivers and people applying for other licence classes. The tests provide randomly selected test questions from a large pool of questions, ensuring every driver takes a different test. Electronic driver knowledge tests are available at all registry agent offices across the province.
- Completed an evaluation of the Alberta Graduated Driver Licensing Program and the recommendations are being generated for review.
- Worked towards the implementation of the Canadian Driver Licence Agreement, which aims to have one driver, one licence and one record in North America which enhances driver licensing standards, card and identification security and reciprocity.
- Increased effectiveness of officer intervention for commercial vehicles dramatically through operational deployment of the Thermal Eye imaging unit. The Thermal Eye unit can determine whether a vehicle should be stopped based on specific heat patterns that indicate brake failure and other wheel and tire-related issues like under-inflated tires. Currently there are three units operating throughout Alberta.
- Implemented and deployed a Mobile Communication System including over 100 mobile communication units and applications for use by department commercial vehicle enforcement inspectors.

Performance Measures:

Infrastructure and Transportation utilized three measures to indicate how well it achieved Goal 3 in 2007-08.

Seat Belts

3.a Percentage of vehicle occupants wearing seat belts – Alberta



This measure describes the percentage of seat belt use for light duty vehicles in the province. A comparison with national results is also included.

This goal supports Core Business 2, and Goal 3 from the Infrastructure and Transportation published 2007-10 Business Plan. The Ministry continually promotes the use of seat belts as one of its many strategies to improve safety in Alberta. By tracking seat belt usage, compliance rates can be identified and further analysis conducted, to determine methods of improvement. This measure links to Goal 7 of the Government of Alberta 2007-10 Strategic Business Plan.

A survey of seat belt use in urban areas was conducted in the fall of 2007 by Transport Canada and the results were combined with the results of the Transport Canada fall 2006 rural survey. Alberta's combined urban/rural survey results for 2007 stand at 88.9 per cent compared to 90.9 per cent in 2006. The Ministry's target is to reach compliance rates of 95 per cent by 2010, matching Canada's national target.

Transport Canada collects seat belt usage data through annual surveys on light duty vehicles, including passenger cars, passenger vans and light trucks in all provinces. Light duty vehicles do not include commercial vans or large trucks, farm equipment, or vehicles which are not equipped with and do not require seat belts (e.g. vintage automobiles).

The September 2006 and September 2007 surveys measured the seat belt usage separately in rural Canada and urban Canada. Rural Canada includes towns with a population of fewer than 10,000 but more than 1,000 inhabitants that are located outside any census metropolitan area or census agglomeration. Urban Canada includes communities with a population over 10,000, plus those communities with a population of less than 10,000 that are located within a census metropolitan area.

The rural survey, which occurred over the week of September 15 to 21, 2006, involved 249 sites and a total of 41,137 vehicles and 60,616 occupants were observed during the course of the survey. The urban survey, which was conducted over the week of September 15 to 21, 2007, involved two separate observation periods at each of 270 sites. A total of 92,440 vehicles and 121,986 occupants were observed during the course of the study. Therefore, during the two surveys, a total of 133,577 vehicles and 182,602 occupants were observed at 519 sites across Canada.

For combined rural and urban data, the margin of error was plus or minus 0.3 per cent as the 95 per cent level of confidence.

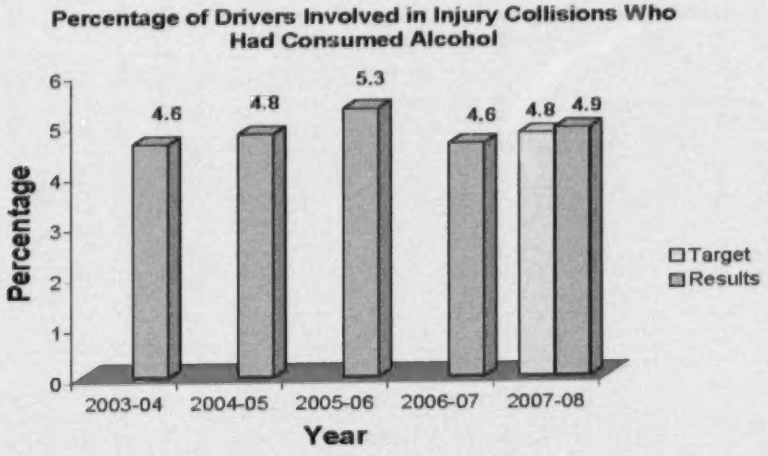
The growing population and increasing number of licensed vehicle operators exerts pressure on Alberta to continue improving strategies advocating the benefits of wearing seat belts.

Percentage of Vehicle Occupants Wearing Seat Belts	2003[1]	2004	2005[2]	2006	2007[6]
Canada					
Rural & Urban Combined	87.4		90.5	90.8[3]	92.5
Rural Only		86.9		88.3	
Alberta					
Rural & Urban Combined	84.9		82.9	90.9[4]	88.9
Rural Only		82.4		86.4[5]	

1. Survey results for 2003 are for front seat occupants only. Surveys after 2003 include all vehicle occupants. Combined results from Transport Canada 2002 rural and 2003 urban survey.
2. Combined results from Transport Canada 2004 rural and 2005 urban survey.
3. Combined results from Transport Canada 2005 urban and 2006 rural survey.
4. Combined results from Transport Canada 2006 rural survey and Alberta 2006 urban survey.
5. Result from Transport Canada 2006 rural survey.
6. Combined results from Transport Canada 2006 rural and 2007 urban survey.

Involvement of Drinking Drivers in Casualty Collisions

3.b.i Involvement of drivers in injury collisions who were drinking



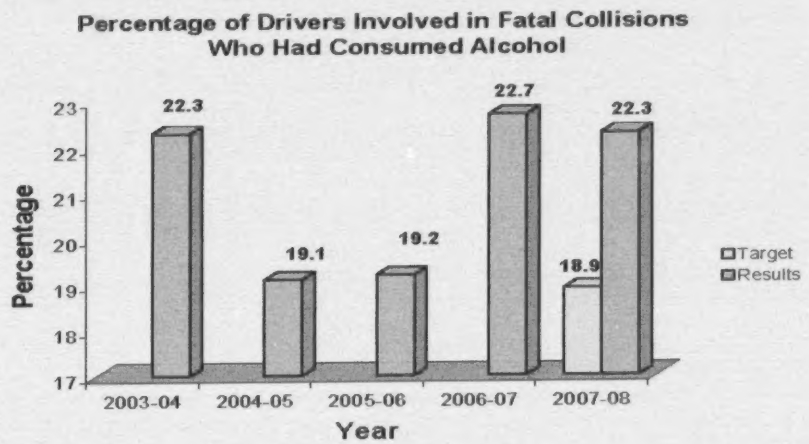
This measure indicates the percentage of vehicle operators in injury collisions in Alberta who were judged to have consumed alcohol before the collision.

In support of Core Business 3 and Goal 3 from the Infrastructure and Transportation published 2007-10 Business Plan, the Ministry continued its efforts to educate drivers about the dangers of drinking and driving. This measure indicates the percentage of drivers involved in casualty collisions who had consumed alcohol before the collision. This measure links to Goal 7 of the Government of Alberta 2007-10 Strategic Business Plan.

During the reporting period, there were a total of 25,132 drivers involved in casualty collisions in the Province of Alberta for whom a driver condition was specified on the collision report form. Of these, 4.9 per cent of drivers who were involved in injury collisions were judged to have consumed alcohol prior to the collision. This is slightly above the target of 4.8 per cent. This figure has increased 0.3 percentage points over the prior years' results. As the severity of the collision increased, the involvement of alcohol dramatically increased.

Data for this measure was taken from the Ministry's Alberta Collision Information System. The results for the measure are based on a calendar year. Drivers involved in casualty collisions resulting in either injury or fatality are included in the results. Driver condition data is compiled from collision reports completed by the attending law enforcement officer. Drinking drivers are those who, in the officer's judgment, have consumed alcohol prior to the collision. Driver condition includes 'normal,' 'had been drinking,' 'alcohol impaired,' 'impaired by drugs' and 'fatigued/asleep'. Driver condition was unspecified for 6,644 drivers involved in casualty collisions and this is not included in the results.

3.b.ii Involvement of drivers in fatal collisions who were drinking



This measure indicates the percentage of vehicle operators in fatal collisions in Alberta who were judged to have consumed alcohol before the collision.

In support of Core Business 3 and Goal 3 from the Infrastructure and Transportation published 2007-10 Business Plan, the Ministry continued its efforts to educate drivers about the dangers of drinking and driving. This measure indicates the percentage of drivers involved in fatal collisions who had consumed alcohol before the collision. This measure links to Goal 7 of the Government of Alberta 2007-10 Strategic Business Plan.

During the reporting period, there were a total of 489 drivers involved in fatal collisions in the Province of Alberta for whom a driver condition was specified on the collision report form. Of these, 22.3 per cent of drivers who were involved in fatal collisions were judged to have consumed alcohol prior to the collision. This compares to the target of 18.9 per cent. This figure decreased 0.4 percentage points over the prior year's results.

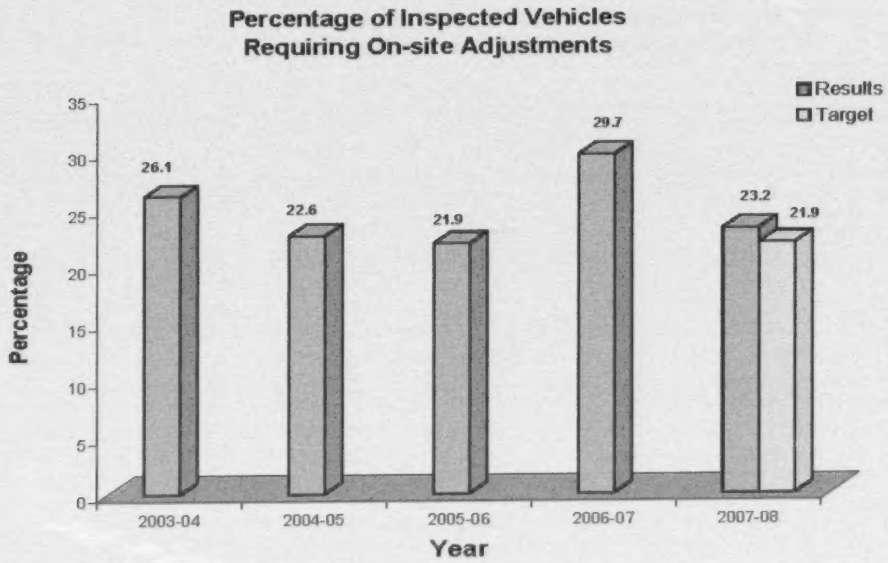
In order to educate current and future drivers of the dangers of drinking and driving, Infrastructure and Transportation, with its many traffic safety partners, continues to undertake awareness, education and enforcement programs throughout the year. In addition, initiatives such as the Ignition Inter-Lock Program and periodic check stops deter drinking and driving. From its inception in December 1999 to March 2008, the Alberta Administrative License Suspension (AALS) program has resulted in 59,048 suspensions of Alberta drivers who were charged with having a breath or blood sample over 0.08 blood alcohol level or refusing a breath or blood sample demand. The Graduated Driver Licensing Program introduced on May 20, 2003, includes a zero alcohol tolerance provision which continues while a driver is in either the learner or probationary category. This reinforces Alberta's position against impaired driving. There has been 2,411 Alberta zero alcohol tolerance (AZAT) suspensions initiated between May 2003 and March 2008.

Data for this measure was taken from the Ministry's Alberta Collision Information System. The results for the measure are based on a calendar year. Drivers involved in collisions resulting in at least one fatality are included in the results. Driver condition data is compiled from collision reports completed by the attending law enforcement officer. Drinking drivers are those who, in the officer's judgment, have consumed alcohol prior to the collision. Driver condition includes 'normal,' 'had been drinking,' 'alcohol impaired,' 'impaired by drugs' and 'fatigued/asleep'. Driver condition was unspecified for 97 drivers involved in fatal collisions and this is not included in the results.

Alberta's population has been steadily increasing due primarily to the growing economy. Program enhancements and enforcement priorities may have impacts on this measure. Traffic volumes for 2007 have increased by 19.05 per cent from 2003 and by 4.99 per cent over 2006 levels, as recorded by Alberta's 368 Automated Traffic Recorder sites throughout the province. In addition, the number of licensed drivers increased by 10 per cent since 2003.

Commercial Vehicles

3.c Mechanical Safety of Commercial Vehicles



This measure represents the percentage of a random sample of commercial vehicles that have been rendered out-of-service when inspected at roadside checks by Ministry staff.

The Mechanical Safety of Commercial Vehicles measure is linked with Core Business 2 and Goal 3 from the Infrastructure and Transportation published 2007-10 Business Plan. This measure links to Goal 7 of the Government of Alberta 2007-10 Strategic Business Plan.

In support of Core Business 2 "Safe, accessible and connected communities" and Goal 3 "Provide a safe, secure and reliable provincial transportation network" from the Infrastructure and Transportation published 2007-10 Business Plan, the Ministry continues to work with the commercial carrier industry to enhance safety on Alberta's highways through ongoing education and enforcement programs. Programs such as "Partners in Compliance" allow commercial carriers with exemplary safety records to self-monitor. The program also provides incentives for commercial carriers to ensure their equipment and business operations meet all prescribed safety criteria. In keeping with the Commercial Vehicle Safety Alliance, commercial vehicles are inspected throughout the year to ensure commercial vehicles traveling on Alberta's highways comply with all safety standards.

Results indicate a 6.5 per cent decrease compared to 2006-07 in commercial vehicles that have been rendered out-of-service at roadside inspections. Although the 2007-08 result of 23.2 per cent is slightly higher than the target, it is consistent with the data and trend from several previous years.

Growing inter-provincial and international trade combined with the need for quick, efficient transport has led to a significant increase in the number of trucks on Alberta's highways and an increase in commercial vehicle registrations. Therefore, there is an increase in the number of vehicles available for inspection. As a result of this increased truck traffic, Infrastructure and Transportation has increased its capacity to undertake inspections and monitor commercial vehicles. The Ministry will continue to work with the commercial carrier industry on education and information initiatives aimed at commercial vehicle safety.

The survey starts in the middle of June and continues for six months. Commercial Vehicle Safety Alliance (CVSA) Level I inspections are the focus of the survey. After setting up at a location, the transport officers will pull over and conduct a Level I CVSA inspection on the first available commercial vehicle, including farm vehicles but excluding buses and PIC carriers. Once the inspection is complete and the unit released, the next available commercial vehicle will have a Level I CVSA inspection completed. This activity is continued until seven commercial vehicles have been Level I inspected at each site. There are 64 pre-determined sites that are utilized throughout the province for this purpose.

The inspections are undertaken using internationally recognized standards issued by the CVSA. In this sample, seven random inspections were conducted at each of 64 sites across Alberta between June and December 2007. The total number of vehicles inspected was 448.

Continued economic growth and the need to get goods to market means more commercial traffic on Alberta's highway system. Just-in-time marketing and congestion at west coast ports also contribute to suppliers shipping their goods by truck rather than utilizing other modes, such as rail. Public awareness of road safety issues continues to put pressure on government to continually improve its monitoring of commercial carrier traffic.

Core Business 3: Strong stakeholder partnerships.

The primary programs linked to this core business include Leases, Land Services, Capital and Accommodation Projects, Municipal Support Programs, Infrastructure Planning, and Natural Gas Rebates.

Financial Resources (thousands of dollars)	Operating Expense	Capital Investment
Planned Spending (Estimates)	1,946,064	114,591
Total Authorized	1,946,064	46,017
Actual Spending in 2007-08	1,813,305	62,853
Actual Spending in 2006-07	1,668,639	86,326

The total under-expenditure of $184.5 million relative to planned spending is primarily due to lower natural gas prices resulting in reduced rebate payments.

The overall net increase of $121.2 million in spending in 2007-08 compared to 2006-07 is primarily due to additional grants being provided to Edmonton and Calgary to address increased fuel sales and priority water and wastewater infrastructure projects.

Goal 4 – Support for local infrastructure.

Strategic Approach

4.1 Assist municipalities with water supply, water treatment, and wastewater treatment and disposal facilities through the provision of funding under the Water for Life Strategy, including the Alberta Municipal Water/Wastewater Partnership Program and an enhanced Regional Water and Wastewater Partnership Initiative.

4.2 Continue to provide grant funding to assist Alberta municipalities with developing and upgrading infrastructure through the Alberta Municipal Infrastructure Program, Basic Capital Grant, Cities Special Transportation Grant, the Streets Improvement Program and the Rural Transportation Partnership.

4.3 Administer the Resource Road Program to assist rural municipalities, towns and villages that experience resource and new industry-based traffic.

4.4 Continue to administer grant funding under the New Deal for Cities and Communities program, and provide grant funding for the Infrastructure Canada-Alberta Program and the Canada-Alberta Municipal Rural Infrastructure Fund.

Results

- Provided funding to municipalities and projects initiated in support for the government's Water for Life Strategy.
- Supported development of both stand-alone and regional municipal water and wastewater systems with funding of $106 million. The Regional Water and Wastewater Partnership Initiative funds 90 per cent of the capital cost of building regional municipal water and wastewater pipelines. The Initiative is part of the overall Water for Life Strategy and includes 100 per cent funding for engineering feasibility studies for regional systems, plant expansions for "hub" suppliers required to serve new regional customers, and for expanding pipeline capacity to serve future regional customers. This is in addition to regular Alberta Municipal Water and Wastewater Partnership grants.
- Continued the annual transportation funding in the Cities of Calgary and Edmonton based on five cents per litre of fuel delivered within their cities. Approximately $175 million was allocated to a variety of high priority road and public transit projects.
- Provided $44 million in Basic Capital Grants and City Special Transportation Grants to 16 cities and urban service areas (excluding Calgary and Edmonton) for transportation capital projects.
- Continued the five-year Alberta Municipal Infrastructure Program providing $652 million in 2007-08 to 361 municipalities for a variety of road, public transit, water/wastewater, emergency services, and other capital municipal infrastructure projects.

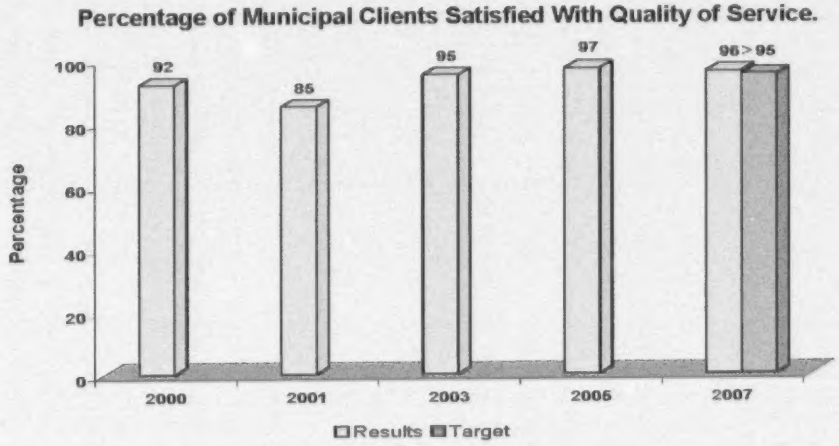
- Provided $27 million in Street Improvement Program grants to 322 towns, villages, summer villages, rural municipalities (for hamlets) and Métis settlements for transportation capital projects.
- Supported upgrading roads in rural municipalities by providing $51 million under the Rural Transportation Grant Program.
- Under the Resource Road Program, contributed funding of $26.1 million to municipalities to upgrade segments of their local road network impacted by resource or new industry based traffic. A priority list was developed by an interdepartmental committee and forwarded to the Minister for approval. From this, 45 projects were approved.
- Provided $93 million under the New Deal for Cities and Communities (the federal Gas Tax Fund) and the New Deal for Public Transit (the related federal Public Transit Trust) for environmentally sustainable public transportation, water/wastewater, road, and energy conservation projects that lead to cleaner air, cleaner water, and reduced greenhouse gas emissions.
- Provided $7.1 million in Provincial funding under the Canada-Alberta Municipal Rural Infrastructure Fund (CAMRIF). This program runs from 2006-12 and provides funds to municipalities for a variety of water, wastewater, transportation, solid waste, recreation, cultural, tourism, energy efficiency improvement, and connectivity projects. The total commitment for this program is $321 million and is cost-shared equally between the Federal, Provincial, and Municipal governments.

Performance Measures

Infrastructure and Transportation utilized one measure to indicate how well Goal 4 was achieved in 2007-08.

Municipal Client Satisfaction

4.a Client Satisfaction Survey (Municipal)



Infrastructure and Transportation strives to foster an organization where clients consistently experience positive outcomes when interacting with the Ministry. To measure the satisfaction of clients with services provided by the Ministry, Infrastructure and Transportation conducts a municipal client satisfaction survey every two years.

This measure provides an overall indication of municipal clients' satisfaction with the services provided by Ministry staff. Results and information derived from the survey are considered in the Ministry's planning cycle to address and improve the satisfaction of clients in the future. The Ministry's commitment to providing quality service to clients is illustrated by the overall results.

The Municipal Quality of Service Client Satisfaction Survey measure links to Core Business 3 "Strong stakeholder partnerships" and Goal 4 "Support for local infrastructure" of Infrastructure and Transportation's published 2007-10 Business Plan. This measure links to Goal 10 of the Government of Alberta 2007-10 Strategic Business Plan.

The client satisfaction survey monitors the satisfaction of municipal clients with management of municipal grant programs, including, the administration of grant applications and payments and clarification of policy and eligibility criteria. Respondents were asked to rate their satisfaction when answering the question, "Looking back to 2007, how satisfied were you with overall quality of service?" with respect to the management of municipal grant programs. In 2007, municipal client satisfaction was 96 per cent, which met the 2007 target of 95 per cent and is a decrease of one per cent over the 2005 result of 97 per cent. On average, the results are accurate within plus or minus 5.2 per cent, 19 times out of 20.

To allow sufficient time for the Ministry to develop and implement strategies to effectively deal with the results of the client satisfaction survey, the survey is conducted every second calendar year with the next survey planned for January 2010 to report on the 2009 calendar year.

The measure is reported as the percentage of municipal clients satisfied with overall quality of service, that is all client providing a response of "somewhat satisfied", "satisfied" and "very satisfied". An external consultant was engaged to undertake this survey, thereby ensuring the confidentiality of individual results.

The 2007 client satisfaction survey was delivered by mail to 321 municipal clients with subsequent telephone follow up. Municipal clients are defined as organizations that have interacted with Ministry staff regarding municipal grant programs in the 2007 calendar year and primarily include municipalities and towns. There were a total of 167 surveys completed and returned for a response rate of 53 per cent, 10 municipal client contacts were excluded from the analysis due to incorrect contact information and/or surveys being returned as undeliverable.

The respondents were asked to rate the Municipal Grant Programs Service Area on eight key service areas, for:

- Clarity of written materials
- Ease of access to information
- Ease of access to services
- Consistency of services
- Timeliness of service delivery
- Proficiency of staff
- Courtesy of staff
- Overall quality of services

On average, the results are accurate within plus or minus 5.2 per cent, 19 times out of 20.

Although the level of client satisfaction for all service areas remains high, the decrease from the previous survey is marginal and may be attributed more to statistical variance than any other factor. Several grants for municipalities have increased since the 2005 survey, such as the New Deal for Cities and Communities. Programs such as the Alberta Municipal Infrastructure Program remained unchanged, however, above average inflation and high cost escalation have somewhat diminished their value compared to 2005.

Goal 5 – Provide technical expertise, project management and support services.

Strategic Approach

5.1 Work with program ministries, school boards, post-secondary institutions and health regions in updating long-term capital plans by providing expertise in areas such as life-cycle costing, new technologies, design standards, and detailed project costing.

5.2 Work with other ministries to deliver approved school, health and post-secondary projects.

5.3 Support the planning of facility requirements to ensure effective delivery of health and education programs in Alberta by monitoring and reporting the physical condition of existing schools, health facilities and post-secondary institutions.

5.4 Develop and implement accommodation master plans for Red Deer, Lethbridge and Grande Prairie to meet priority facility program needs for government programs.

5.5 Continue to plan, develop and administer the Edmonton and Calgary Transportation and Utility Corridors.

Results

- Initiated development of a new Cost Planning and Monitoring Program, aimed at streamlining in areas of project identification, risk and needs assessments, and project monitoring. The new program was piloted with several school boards and further development continues with stakeholders.
- Developed standard core school designs for three sizes of elementary schools (300, 450 and 600 capacity), and for two sizes of K-9 schools (600 and 900 capacity), with Alberta Education and school board representatives. The schools are designed to meet Leadership in Energy and Environment Design (LEED) Silver level of a sustainable design and construction standard administered by the Canada Green Building Council. Use of core school designs reduces design and construction time, and streamlines project implementation.
- Provided technical and costing advice on all supported projects underway during the 2007-08 fiscal year, including 147 schools, 50 health facility projects, and 40 post-secondary projects.

- Collaborated with Alberta Education, Alberta Justice and Attorney General, Alberta Finance and Enterprise and Ministry of Treasury Board, to lead the technical task team to implement the Alberta Schools Alternative Procurement (ASAP) project. This is the first of its kind for Alberta, wherein a public private partnership will be used to provide 18 new schools – nine each in Edmonton and Calgary, by September 2010. The private partner will finance, construct and maintain the facilities for 30 years. The schools will utilize newly developed core school designs to enhance flexibility and ensure faster implementation than traditional methods.
- Completed facility evaluations of 278 schools, 33 post-secondary buildings, and six health facilities. This information supports capital planning by identifying major maintenance and capital renewal needs in supported facilities.
- Commenced the rollout of the Building and Land Information Management System (BLIMS) Evaluations Module to school boards, and undertook pilots with several health regions. Access to the BLIMS Evaluations Module will allow school boards to continually identify and update the condition of their facilities, allowing for better planning of future maintenance and renewal of facilities.
- Introduced life-cycle modeling of facility evaluations to capture future maintenance costs and long term funding for ongoing maintenance of government owned and supported facilities. This will enhance the ability to make maintenance and budgetary decisions in the future.
- Develop and to meet priority facility program needs for government programs.
- Completed development and implementation of accommodation master plans to support government program delivery needs in Red Deer, Lethbridge and Grande Prairie.
- Administration of the Calgary and Edmonton Transportation and Utility Corridors has continued with volumes of activity slightly higher than in the previous year. Over 300 ministerial consents were processed along with 90 planning review requests and 168 land disposals and acquisitions completed.

Performance Measures

Infrastructure and Transportation utilized three measures to indicate how well Goal 5 was achieved in 2007-08.

To enhance reporting and enable the Ministry to compare condition ratings across the facility types (government-owned facilities as well as supported, such as schools, health facilities, and post-secondary institutions), a facility condition index (FCI) was adopted as a basis for determining the condition rating of each facility. The FCI is the ratio of the cost to correct current and future (five year) physical condition deficiencies, relative to current facility replacement values.

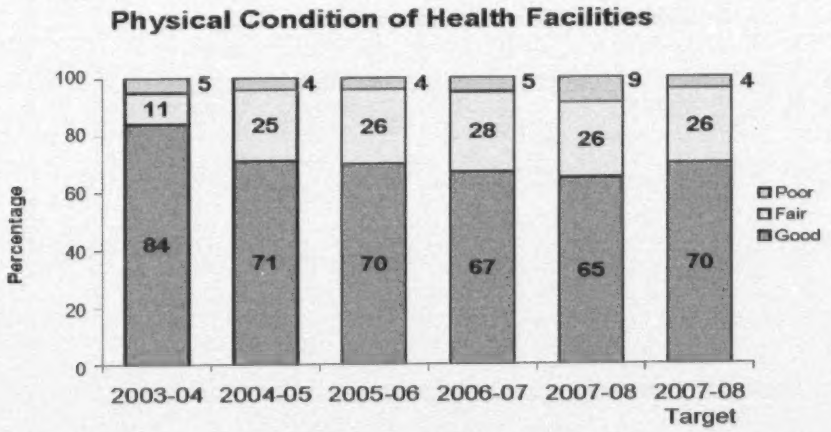
In concert with the Government of Alberta's Capital Planning Initiative, three measures ("good", "fair" and "poor") were developed to aid in making sound capital funding decisions.

The interpretation of facility condition index (FCI) values for building infrastructure is as follows:

Condition	FCI Definition	CPI Definition
Good	Facilities with an FCI of less than 15%	Adequate for intended use and expected to provide continued service life with average maintenance.
Fair	Facilities with an FCI that is equal to or greater than 15%, or equal to or less than 40%	Aging components are nearing the end of their life cycle and require additional expenditures for renewal or refurbishing.
Poor	Facilities with an FCI of greater than 40%	Upgrading is required to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary.

Government Supported Facilities

5.a Health Facilities – Physical Condition



The health facilities physical condition measure is the percentage of health facilities rated in good, fair or poor condition, using a Facility Condition Index (FCI).

This measure links to Core Business 3 and Goal 5 "Provide technical expertise, project management and support services" from Infrastructure and Transportation's published 2007-10 Business Plan. The Physical Condition of Health Facilities measure links to Goal 5 of the Government of Alberta 2007-10 Strategic Business Plan.

The percentage of health facilities in good and fair condition is decreasing, primarily due to aging of facilities. In 2007-08, 65 per cent of facilities were in good condition, 26 per cent of facilities were in fair condition, and nine per cent of facilities were in poor condition. This represents a downward shift from the 2006-07 reporting year, when 67 per cent of facilities were in good condition, 28 per cent of facilities were in fair condition, and five per cent of facilities were in poor condition.

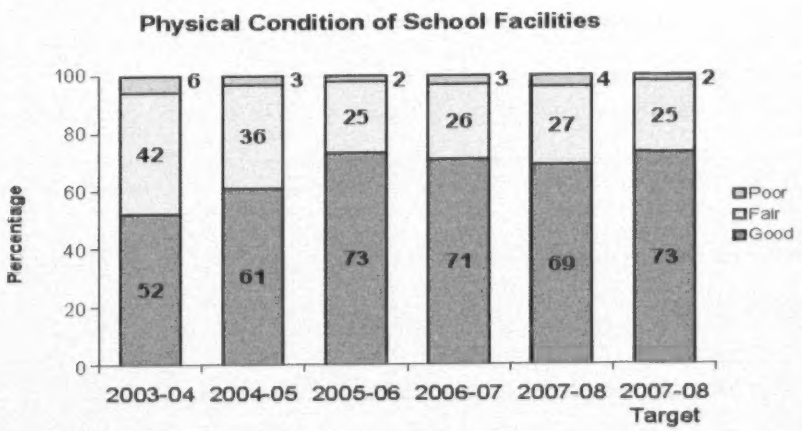
Information on physical condition deficiencies was obtained through facility evaluations conducted by professional consultants or qualified staff of the health regions. Facility ratings were reviewed

by Infrastructure and Transportation, in consultation with the health regions, to assess whether facility assessment information was complete. In cases where facility evaluation data was incomplete, Infrastructure and Transportation estimated the total physical condition costs.

Current replacement values are determined using factors such as construction type, maintenance responsibility type, location, and gross building area. Health facility replacement values are generated and confirmed in an annual process that involves Ministry staff, as well as health region representatives.

A growing percentage of the province's aging health infrastructure will require major repairs and renewal of major building components. Major capital preservation projects, if approved, will address the problem, as will increasing levels of infrastructure maintenance funding.

5.b Schools – Physical Condition



This condition measure supports Core Business 3 and Goal 5 "Provide technical expertise, project management and support services" from Infrastructure and Transportation's published 2007-10 Business Plan, and assists school boards and the government in their long-term capital planning. The Physical Condition of Schools measure links to Goal 2 of the Government of Alberta 2007-10 Strategic Business Plan.

In 2007-08, 69 per cent of schools were in good condition; 27 per cent were in fair condition; and four per cent were in poor condition. The total of school facilities in good and fair condition constitutes 96 per cent, one per cent lower than 2006-07. Last year the breakdown was 71 per cent good, 26 per cent fair and three per cent poor. The target for 2007-08 was 73 per cent good, 25 per cent fair, and two per cent poor, for a total of 98 per cent of school facilities in good and fair condition.

This measure reports the percentage of total school facilities (by area) in good, fair, and poor condition using the FCI recorded at the completion of the last re-evaluation.

The original data set was obtained from condition assessments performed in 1999-2000 of school facilities owned by school boards and funded by government. It did not include outreach facilities, and non-school buildings such as maintenance facilities and administration offices. Private consultants conducted all assessments. Those facilities with a point rating between 0 and 399 were considered in good condition; those with 400 to 799 points were considered in fair condition; and those with 800 or more points were considered in poor condition.

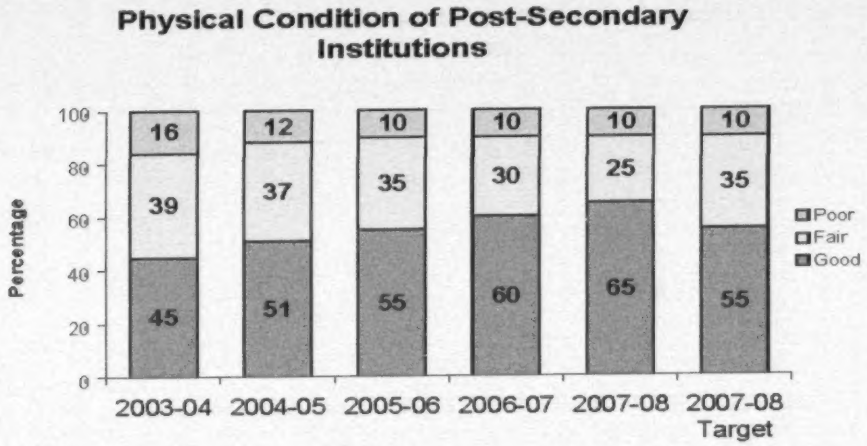
Since 2004, Infrastructure and Transportation has been in the process of conducting follow-up assessments on the original 1999-2000 assessments. The difference in the current approach from the original assessments is:

- Staged implementation – rather than evaluating all schools at once in one short timeframe, schools are being assessed once every five years on a rotational basis.
- FCI – rather than focusing on reporting a raw score, the FCI is calculated to comply with the approach used in other facility assessments. Although the end result for an FCI might differ from the previous approach, it still identifies a "good," "fair," and "poor" rating.

The FCI calculated is referred to as the Facility Condition Rating (FCR). This FCR forms the basis for the physical condition results report. Where an FCR is not yet available, the 1999-2000 ratings are used. If the school is less than 10 years old (and there is no FCR available) it is automatically rated as "good". In addition, the results report is reviewed by technical experts within the ministry to reconcile external data and take into account facility modernizations that have taken place since the last facility condition assessment was undertaken. Facility assessment data are the result of condition assessments of schools facilities owned by school boards and funded by the Government of Alberta and do not include outreach facilities. The Ministry is continuing to review and refine controls for managing facility assessment data provided by external consultants.

A trend that can impact the condition of school facilities is the continued aging of facilities and the amount of modernization and preservation funding that is provided to school boards. With limited resources, prioritization of upgrades must occur among viable schools. As well, the impact of this funding is not immediately reflected in these measures, due to the time required to implement a construction/renovation project.

5.c Post-Secondary Institutions - Physical Condition



The measure is a percentage of the total facilities at post-secondary institutions rated in good, fair or poor condition using a Facility Condition Index that compares the total cost of deficiencies to the replacement value of the facility.

The measure directly links to Core Business 3 and Goal 5 from Infrastructure and Transportation's published 2007-10 Business Plan. The Physical Condition of Post-Secondary Institutions measure links to Goal 2 of the Government of Alberta 2007-10 Strategic Business Plan. The performance indicator provides an annual look at how effectively critical post-secondary infrastructure is maintained.

The percentage of post-secondary institutions in good condition is increasing. In 2007-08, 65 per cent of facilities were in good condition, 25 per cent of facilities were in fair condition, and 10 per cent of facilities were in poor condition. This represents an upward shift from the 2006-07 reporting year, when 60 per cent of facilities were in good condition, 30 per cent of facilities were in fair condition, and 10 per cent of facilities were in poor condition.

The total cost of deficiencies was calculated by taking the estimated cost of remedial work recommended for the next five years to bring the condition level to acceptable and adjusting it for factors such as location, contingency and consultant fees. Replacement costs were adjusted for inflation for facilities where recent information was not available. In 2003-04, the scale was revised with the intent to apply the same condition scale to all government owned and supported facilities.

Consultants gathered the original baseline data through a facility condition study completed in September 2002. Post-secondary institutions are now able to update the information directly into the evaluation database. This will lead to more accurate and timely condition information in the future. The Ministry re-evaluates approximately 0.5 million square metres a year on a five-year rotational basis, which serves the dual purpose of both updating the condition information as well as validating the data entered by the institutions.

The data assists with establishment of priorities, funding decisions and development of long-term facility management and capital plans. The boards of institutions and Government of Alberta jointly share the responsibility for the condition of post-secondary facilities.

In 2007-08, post-secondary institutions opened a significant number of new buildings, resulting in a large increase in gross square area which is classified as "good". Another portion of the improvement in FCI can be attributed to continued re-classification of recommended remedial events from maintenance items to functional upgrades. Only maintenance events are included in the Facility Condition Index.

5.d Client Satisfaction Survey (Boards)

This measure was developed to assess the level of satisfaction with the quality of service provided by Infrastructure and Transportation related to health facilities, post-secondary institutions and schools as perceived by their respective boards. The latest survey results are for the 2005 calendar year, resulting in an average satisfaction rate of 4.6 which equates to "somewhat satisfied" on a six-point scale. This is below the 2007-08 target of 5.0. The survey was to be conducted every two years based on a calendar year, with the next survey planned for Spring 2008 to provide results for the 2007 calendar year. The Ministry was unable to conduct a survey that would provide comparable results and is therefore not reporting a 2007 result due to the factors outlined below.

During 2006-07 the Ministry worked to redefine its roles and responsibilities with the program ministries of Education, Advanced Education, and Health and Wellness to implement a new framework of shared responsibility for implementing capital projects which resulted in the interaction with client boards shifting from Infrastructure and Transportation to these other ministries.

With the establishment of the new Alberta Health Services provincial health authority on May 15, 2008 many of the boards that formed the client-base for this measure no longer exist. This significant change means comparable results could not be derived, therefore the Ministry did not collect data in our biennial client satisfaction survey to report against this measure.

Financial Information

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AUDITOR GENERAL *Alberta*

Auditor's Report

To the Members of the Legislative Assembly

I have audited the statement of financial position of the Ministry of Infrastructure and Transportation as at March 31, 2008 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Ministry's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Ministry of Infrastructure and Transportation as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.

Original Signed by Fred J. Dunn, FCA

Auditor General

Edmonton, Alberta
May 16, 2008

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
STATEMENT OF OPERATIONS
Year ended March 31, 2008

(in thousands)

	2008 Budget (Schedule 4)	2008 Actual	2007 Actual (Restated - Note 3)
Revenues (Schedule 1)			
Internal Government Transfers - Lottery Fund	$ 175,000	$ 175,000	$ 175,000
Transfers from Government of Canada	158,647	122,342	243,753
Fees, Permits and Licenses	16,040	23,496	24,902
Other Revenue	55,719	59,057	69,227
	405,406	379,895	512,882
Expenses - Directly Incurred (Note 2b and Schedule 8)			
Voted (Schedules 3 and 5)			
Ministry Support Services	43,357	39,363	42,417
Government Operations	360,180	359,652	305,491
Provincial Highway Systems and Safety	438,273	387,085	417,105
Municipal Support Programs	1,272,750	1,319,736	1,133,769
Other Programs and Services	570,571	411,649	446,226
Non-Cash Items	372,272	357,936	327,586
Debt Servicing Costs (Note 11)	7,964	7,964	-
	3,065,367	2,883,385	2,672,594
Statutory (Schedules 3 and 5)			
Valuation Adjustments			
Provision for Doubtful Accounts	-	161	58
Provision for Vacation Pay	-	644	667
Provision for Future Site Remediation and Reclamation	-	9,316	3,035
	-	10,121	3,760
Total Expenses	3,065,367	2,893,506	2,676,354
Gain on Disposal of Tangible Capital Assets	-	25,317	26,569
Net Operating Result	$ (2,659,961)	$ (2,488,294)	$ (2,136,903)

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
STATEMENT OF FINANCIAL POSITION
As at March 31, 2008

	(in thousands) 2008	2007 (Restated - Note 3)
ASSETS		
Cash and Cash Equivalents	$ 1,023	$ 90
Accounts Receivable (Note 4)	103,617	64,614
Advances (Note 5)	145	150
Inventories (Note 6)	15,940	12,392
Tangible Capital Assets (Note 7)	11,348,441	9,719,834
	$ 11,469,166	$ 9,797,080
LIABILITIES		
Accounts Payable and Accrued Liabilities	$ 391,104	$ 288,219
Holdbacks Payable	51,552	51,623
Deferred Revenue	6,840	18,309
Obligation under Public Private Partnerships (Note 11)	439,334	251,970
Liabilities for Future Site Remediation and Reclamation (Note 2b)	52,790	39,326
	$ 941,620	$ 649,447
NET ASSETS		
Net Assets at Beginning of Year, as restated (Note 3a, 3b)	$ 9,147,633	$ 8,547,923
Acquisition of Highways (Note 7a)	11,486	96,059
Highway Rehabilitation Projects (Note 3c)	465,843	-
Net Operating Result	(2,488,294)	(2,136,903)
Net Financing Provided from General Revenues	3,390,878	2,640,554
Net Assets at End of Year	10,527,546	9,147,633
	$ 11,469,166	$ 9,797,080

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
STATEMENT OF CASH FLOWS
Year ended March 31, 2008

	(in thousands) 2008	2007 (Restated - Note 3)
Operating Transactions		
Net Operating Result	$ (2,488,294)	$ (2,136,903)
Non-cash items included in Net Operating Results:		
Amortization of Capital Assets and Consumption of Inventory	330,623	297,856
Gain on Disposal of Tangible Capital Assets	(25,317)	(26,569)
Grants in Kind	27,313	29,730
Donated Tangible Capital Assets	(5,787)	(28,892)
Non-cash Revenue	-	2,306
Other	4,148	593
Valuation Adjustments	10,121	3,760
	(2,147,193)	(1,858,119)
Changes in Working Capital		
(Increase) Decrease in Accounts Receivable	(39,164)	33,836
Decrease in Advances	5	6
Increase (Decrease) in Accounts Payable and Accrued Liabilities	102,241	(15,577)
Increase (Decrease) in Holdbacks Payable	(71)	5,606
Decrease in Deferred Revenue	(11,469)	(24,875)
Cash Applied to Operating Transactions	(2,095,651)	(1,859,123)
Capital and Inventory Transactions		
Acquisition of Tangible Capital Assets	(1,316,273)	(869,506)
Purchase of Inventories	(32,681)	(29,445)
Transfer of Tangible Capital Assets to Other Government Entities	23,496	87,019
Proceeds from Disposal of Tangible Capital Assets	33,339	29,756
Cash Applied to Capital and Inventory Transactions	(1,292,119)	(782,176)
Financing Transactions		
Repayment of Obligations under Public Private Partnerships	(2,175)	-
Net Financing Provided from General Revenues	3,390,878	2,640,554
Cash Provided by Financing Transactions	3,388,703	2,640,554
Increase in Cash and Cash Equivalents	933	(745)
Cash and Cash Equivalents, Beginning of Year	90	835
Cash and Cash Equivalents, End of Year	$ 1,023	$ 90

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2008

NOTE 1 AUTHORITY AND PURPOSE

The Ministry of Infrastructure and Transportation (the "Ministry") operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The Minister of Infrastructure and Transportation (the "Minister") is responsible for:

- working with partners to provide cost-effective, innovative and sustainable building infrastructure to support the delivery of government services;
- managing government owned and operated facilities;
- providing realty services for government facilities;
- developing, constructing and maintaining an integrated transportation system to facilitate the safe and efficient movement of people and products, and the economic development of the Province of Alberta (the Province);
- assisting in the provision of municipal water supply and waste water facilities;
- administering and providing funding for the Infrastructure Canada-Alberta Program which funds a wide variety of municipal infrastructure projects; and
- designing, constructing and maintaining the Province's water management infrastructure on behalf of the Ministry of Environment.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statement presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the departments.

(a) Reporting Entity

The reporting entity is the Ministry of Infrastructure and Transportation for which the Minister of Infrastructure and Transportation is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net financing provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2008

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met and a reasonable estimate of the amounts can be made. Transfers received before the preceding revenue recognition criteria have been met are included in deferred revenue.

Dedicated Revenue

Dedicated Revenue initiatives provide a basis for authorizing spending. Dedicated revenues are shown as credits or recoveries in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual dedicated revenues exceed budget, the Ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Ministry's dedicated revenue initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses include:

- amortization of tangible capital assets;
- pension costs which comprise the cost of employer contributions for current service of employees during the year;
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities; and
- government transfers which are transfers of money to an individual, an organization or another government for which the Ministry does not receive any goods or services directly in return. The major types of transfers and corresponding recognition criteria are as follows:
  - grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made;
  - entitlements, which are non-discretionary because the amounts and recipients are prescribed, are recognized when eligibility occurs;
  - transfers under shared cost agreements, which are reimbursements of eligible expenditures, are recognized when the expenditures occur.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2008

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

Incurred by Others

Services contributed by other entities in support of the Ministry operations are disclosed in Schedule 8.

Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Inventories are valued at lower of cost or replacement cost.

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $5,000. All land is capitalized.

Tangible capital assets of the Ministry include work in progress. These costs are capitalized but not amortized until the asset is in service.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum to parties external to the government reporting entity, the fair values of these physical assets, less any nominal proceeds, are recorded as grants in kind.

Liabilities

Liabilities are recorded to the extent that they represent obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in a sacrifice of economic benefits in the future.

Net Assets

Net assets represents the difference between the carrying value of assets held by the Ministry and its liabilities.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, advances, accounts payable, accrued liabilities, and holdbacks are estimated to approximate their carrying values because of the short term nature of these instruments.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2008

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

Public Private Partnership (P3)

A Public-Private Partnership (P3) is defined as a cooperative venture based on contractual obligations between one or more public/private/not for profit partners that meets clearly defined public needs for the provision of goods or services.

The Ministry accounts for P3 projects in accordance with the substance of the underlying agreements. Agreements that transfer substantially all the risks and rewards of ownership of the assets are classified as capital leases and are accounted for as follows:

- The capital asset value and the corresponding liability are recorded at the net present value (NPV) of the minimum lease payments discounted using the Government of Alberta's borrowing rate for long term debt.
- During construction, the capital asset (classifed as work in progress) and the corresponding liability are recorded based on the estimated percentage complete.
- Amortization on a straight-line basis over the estimated useful life commences when the asset is in service.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

Natural Gas Rebates

Accrued liabilities for Natural Gas Rebates recorded as $133,165 (2007-$123,082) in these financial statements are subject to measurement uncertainty. This amount is determined based on management's estimate of rebate claims for the period ended March 31, 2008 less claims paid prior to the year-end. The rebate claims received are dependant on the market cost of natural gas and the volume of natural gas consumed. Historical results indicate that actual results may vary from the estimated obligation by as much as 10%.

Site Remediation and Reclamation

Liabilities for Future Site Remediation and Reclamation recorded as $52,790 (2007-$39,326) in these financial statements are subject to measurement uncertainty. This amount is based on management's and consultants' estimates of and historical costs to remediate or reclaim sites as well as expected expenditures on future reclamation activity. Actual costs may vary from these estimates and the variances may be material.

Certain liabilities exist for site remediation and reclamation which are or may be the responsibility of the Ministry. The potential costs relate to restoring building and other sites to acceptable contractual or environmental standards. A list of all potential sites has been compiled. For those sites where remediation is considered likely, a liability has been recorded based on management's best estimates. For all other sites, a reasonable estimate of potential liability cannot be made at this time.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2008

NOTE 3 PROGRAM TRANSFERS AND PRIOR PERIOD RESTATEMENT

(in thousands)

During the year, the Ministry restated the financial statements previously presented for the effects of changes resulting from program transfers to other departments of the government and the correction of an accounting error in the 2007 financial statements. The Ministry also made a change in accounting policy for highway improvement projects. The financial impact of these changes on net assets is explained further below.

(a) Program Transfers

Effective April 1, 2007, the post secondary capital planning function was transferred to the Department of Advanced Education and Technology and the school capital planning function was transferred to the Department of Education. The 2007 comparative financial statements have been restated to reflect these transfers as if they had occurred on April 1, 2006 to provide operating result information for 2008 and 2007 on the same basis. As a result of these restatements, expenses for 2007 were decreased by $401 ($97 for post secondary and $304 for school capital planning programs) and Net Financing Provided from General Revenues was decreased by $401 resulting in no net change in Net Assets at March 31, 2007.

(b) Correction of an Error

During the year ended March 31, 2007, the Ministry acquired certain parcels of land for the purpose of creating parks in the vicinities of Edmonton and Calgary. The lands were expected to be transferred to the Department of Tourism, Parks, Recreation and Culture in the year ended March 31, 2008 and accordingly, the 2007 financial statements reflected the properties in Tangible Capital Assets. Subsequent to the issue of the 2007 Financial Statements, it was determined that the transfer of the title to the land to the Department of Tourism, Parks, Recreation and Culture was completed prior to March 31, 2007 and that the Ministry should have known this information in preparing the 2007 financial statements.

The financial statements for the year ended March 31, 2007 have been restated to correct for the transfer transaction that was not recorded. This resulted in a decrease of $67,983 in Tangible Capital Assets and a decrease in Net Assets reflected by way of a decrease of $67,983 in Net Financing Provided from General Revenues.

(c) Change in Accounting Policy

During the year ended March 31, 2008, the Ministry decided to change the way it recognizes highway repaving upgrade projects. Previously all highway repaving activities were expensed as incurred. These upgrade projects are now considered betterments and are capitalized. As the Ministry was only able to reasonably determine the costs of these projects for the past seven years, a cumulative opening adjustment of $465,843 was made to Tangible Capital Assets and Net Assets. The prior year amounts were not restated. The effect of the change on the financial statements for the year ended March 31, 2007 had they been restated, would be to decrease Provincial Highway Systems and Safety Expense by $78,181, increase in Tangible Capital Assets by $69,477 and increase Non-Cash Items by $8,704 due to amortization. The effect of the change reflected in the financial statements of the current period is a decrease in Provincial Highway Systems and Safety Expense of $134,974, an increase in Tangible Capital Assets by $124,477 and an increase in Non-Cash Items by $10,497 due to amortization.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2008

NOTE 4 ACCOUNTS RECEIVABLE

(in thousands)

	2008			2007
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Transfers from Government of Canada	$ 90,222	$ -	$ 90,222	$ 48,957
Swan Hills Treatment Plant	2,971	-	2,971	3,219
Rental and Other	1,650	1,326	324	1,884
Refunds from suppliers	1,048	-	1,048	518
Payments Under Agreement	1,462	-	1,462	895
Land Sales	-	-	-	2,115
Fees, Permits and Licenses	3,329	19	3,310	2,442
Cost Recoveries	4,280	-	4,280	4,584
	$ 104,962	$ 1,345	$ 103,617	$ 64,614

Accounts receivable are unsecured and non-interest bearing.

NOTE 5 ADVANCES

(in thousands)

	2008			2007
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Travel advances	$ 56	$ -	$ 56	$ 61
Other advances	89	-	89	89
	$ 145	$ -	$ 145	$ 150

NOTE 6 INVENTORIES

(in thousands)

Inventories consist of consumables and repair parts for the delivery of highway transportation programs, and waste treatment services.

	2008	2007
Sand, salt and gravel	$ 14,108	$ 10,887
Chemical and parts inventories	1,832	1,505
	$ 15,940	$ 12,392

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2008

NOTE 7 TANGIBLE CAPITAL ASSETS

(in thousands)

The cost of assets and the related accumulated amortization for the Ministry are summarized below.

		2008 Historical Cost [2]			
	Estimated Useful Life	Beginning of Year	Additions	Disposals, including write-downs	End of Year
Land	Indefinite	$ 999,933	$ 115,546	$ (18,252)	$ 1,097,227
Land Improvements	40 years	8,441	17	-	8,458
Buildings	40 years	2,060,396	94,210	(33,682)	2,120,924
Equipment	5-40 years	29,873	3,944	(484)	33,333
Computer hardware and software	3-10 years	121,456	14,534	(23,422)	112,568
Provincial highways and roads [1]	50 years	9,880,771	1,039,542	(6,160)	10,894,153
Bridges	50 years	1,006,231	203,694	(587)	1,209,338
Dams and water management structures [3]		70,482	33,225	(13,936)	89,771
Other [4]	3-40 years	106,011	18,375	(40,872)	83,514
		$ 14,263,594	$ 1,523,087	$ (137,395)	$ 15,649,286
2007 Total (Restated - Note 3)		$ 12,811,445	$ 1,120,926	$ (134,620)	$ 13,797,751

	2008 Accumulated Amortization				Net Book Value	
	Beginning of Year	Amortization Expense	Effect of Disposals	End of Year	March 31, 2008	March 31, 2007 (Restated - Note 3)
Land	$ -	$ -	$ -	$ -	$ 1,097,227	$ 999,933
Land Improvements	2,016	215	-	2,231	6,227	6,425
Buildings	947,573	45,273	(13,564)	979,282	1,141,642	1,112,823
Equipment	12,070	2,075	(309)	13,836	19,497	17,803
Computer hardware and software	76,317	13,614	(22,551)	67,380	45,188	45,139
Provincial highways and roads [1]	2,709,179	208,141	(1,473)	2,915,847	7,978,306	6,685,749
Bridges	271,966	24,227	(53)	296,140	913,198	734,265
Dams and water management structures [3]	-	-	-	-	89,771	70,482
Other [4]	58,796	7,872	(40,539)	26,129	57,385	47,215
	$ 4,077,917	$ 301,417	$ (78,489)	$ 4,300,845	$ 11,348,441	$ 9,719,834
2007 Total	$ 3,822,250	$ 267,052	$ (11,385)	$ 4,077,917		

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2008

NOTE 7 TANGIBLE CAPITAL ASSETS (continued)

(in thousands)

(1) Highways include original pavement and repaving overlays that represent improvements, roadbed, drainage works, and traffic control devices.

(2) Included in the cost of land improvements, buildings, equipment, computer hardware and software, provincial highways and roads, bridges, and dams and water management structures is work in progress amounting to $ 905,593 (2007 - $1,032,807). Included in this work in progress amount is the estimated progress to date of $253,591 (2007 - $ nil) on the North East Stoney Trail Ring Road. See Note 11.

(3) Dams and water management structures are constructed by the Ministry and transferred to the Department of Environment upon their completion. The Ministry of Infrastructure and Transportation does not amortize these assets.

(4) Includes trailers and leasehold improvements.

(a) Acquisition of arterial roadways in the City of Edmonton

On September 7, 1999, the Alberta government announced a new transportation plan which included significant changes in responsibility for highways in the Province. The transfer of assets is recorded when they are turned-over to the Province to manage their maintenance. Effective October 11, 2006, the Ministry assumed responsibility for the construction and maintenance of 31.9 km of arterial highways in the City of Edmonton.

At March 31, 2007 these assets were recorded at an estimated amortized historical cost of $96,059. Additional information obtained subsequent to the issue of the 2007 financial statements resulted in a revision to the 2007 estimate which increased the amortized historical cost by $11,486 during the year ended March 31, 2008.

NOTE 8 FEDERAL FUNDING FOR CITIES AND COMMUNITIES PROGRAM

(in thousands)

In 2005-06, the Federal Government announced the New Deal for Cities and Communities. Under this program, the Federal Government will contribute $476,907 in funding to the Ministry over a five year period for municipal infrastructure. The program provides financial assistance for sustainable capital municipal infrastructure in support of cleaner air and water, and the reduction of green house gases. Transfers from the Federal Government are recognized as revenue when eligible expenses are incurred. Revenue recorded under this program for the year ended March 31, 2008 is $91,289 (2007 - $173,650)

NOTE 9 CANADA STRATEGIC INFRASTRUCTURE FUND

(in thousands)

The Canada Strategic Infrastructure Fund (CSIF) is a program whereby the Federal Government contributes funding to large scale infrastructure projects across the country. There are two projects that the Ministry is receiving funding for under CSIF - Edmonton Southeast Anthony Henday Ring Road ($75,000 over 3 years beginning in 2005-06) and Calgary Northwest Stoney Trail Ring Road ($75,000 over 4 years beginning in 2005-06). Transfers from the Federal Government are recognized as revenue when eligible expenses are incurred. The full cost of the projects will be capitalized and amortized over the useful life of the infrastructure. Revenue recorded under this fund for the year ended March 31, 2008 is $30,072 (2007 - $69,418)

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2008

NOTE 10 CONTRACTUAL OBLIGATIONS

(in thousands)

As at March 31, 2008, the Ministry had the following contractual obligations:

	2008	2007
Capital Investment		
Construction Contracts and Service Agreements	$ 1,247,970	$ 557,627
Land Purchases	-	24,663
Expense		
Maintenance Contracts and Service Agreements	1,211,575	1,100,463
Grants	2,036,565	2,403,753
Long-term Leases	700,021	432,981
Public Private Partnerships		
Operation and Maintenance Payments	662,457	666,302
Progress Payments	136,500	325,000
	$ 5,995,088	$ 5,510,789

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	Capital Investment		Expense		
	Construction Contracts and Service Agreements	Land Purchases	Maintenance Contacts and Service Agreements	Grants	Leases
2009	$ 809,325	$ -	$ 510,060	$ 1,436,565	$ 137,016
2010	206,148	-	194,365	600,000	122,504
2011	138,602	-	167,498	-	100,655
2012	86,823	-	131,346	-	77,109
2013	6,831	-	92,550	-	60,090
Thereafter	241	-	115,756	-	202,647
	$ 1,247,970	$ -	$ 1,211,575	$ 2,036,565	$ 700,021

	Public Private Partnerships				
	Operation and Maintenance Payments			Stoney Trail Progress Payments	Grand Total
	Anthony Henday	Stoney Trail	Total		
2009	$ 8,508	$ -	$ 8,508	$ 76,500	$ 2,977,974
2010	10,173	4,702	14,875	60,000	1,197,892
2011	12,736	10,205	22,941	-	429,696
2012	8,886	10,201	19,087	-	314,365
2013	9,049	10,690	19,739	-	179,210
Thereafter	259,102	318,205	577,307	-	895,951
	$ 308,454	$ 354,003	$ 662,457	$ 136,500	$ 5,995,088

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2008

NOTE 10 CONTRACTUAL OBLIGATIONS (continued)

($ in thousands)

In addition to the contractual commitments identified above, Alberta Infrastructure and Transportation has entered into 105 (2007 - 105) contracts with natural gas suppliers to provide rebates to consumers under the Natural Gas Price Protection Act. The obligations associated with these contracts are not included in the amounts disclosed above as the amounts that may be paid under these contracts cannot be estimated and are contingent upon future market rates for natural gas and upon weather conditions that may exist during the rebate period. The expense incurred under these contracts was $298,009 (2007 - $342,429).

NOTE 11 OBLIGATIONS UNDER PUBLIC PRIVATE PARTNERSHIPS

Anthony Henday - Edmonton Ring Road:

In January 2005, the Ministry entered into a contract for the design, finance, build and maintenance of the South East Anthony Henday Ring Road. The project was completed in October 2007. The total capital cost of the project, which was jointly funded by the Federal Government and the Ministry, was $431.3 million (Federal contribution of $75 million plus NPV of lease payments of $356.4 million). Lease payments to the contractor on the 30 year contract commenced in November 2007.

The monthly capital payments including interest and principal are $1.95 million. Interest expense related to this lease obligation for the year ended March 31, 2008 was $7.96 million (2007 - $ nil). There is also monthly variable payments for Operation and Maintenance (O&M) of the South East and South West Anthony Henday Ring Road. The O&M payments also include Major Rehabilitation payments for the South East Anthony Henday. These payments (see Note 10) will be indexed for inflation.

Stoney Trail - Calgary Ring Road:

In February 2007, the Ministry entered into a contract for the design, finance, build and maintenance of the North East Stoney Trail Ring Road which is scheduled to be completed in October 2009. Upon completion of the project, the Ministry will lease the road from the contractor for a 30 year period. The Ministry will make progress payments of $300 million during construction from 2007-08 to 2009-10. Lease payments will begin in November 2009 or upon completion of the project, whichever is later. The net present value of the minimum lease payments at November 2009 calculated using the Government of Alberta borrowing rate of 4.75% is $156.3 million.

The details of the capital lease for Stoney Trail Ring Road are identified below. The monthly capital lease payments including interest and principal are $0.8 million. There is also monthly variable payments for Operation and Maintenance (O&M) of the North East as well as North West Stoney Trail Ring Road which commence in November 2009. The details of O&M payments identified below also include Major Rehabilitation payments for North East Stoney Trail. These payments (see Note 10) will be indexed for inflation.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2008

NOTE 11 OBLIGATIONS UNDER PUBLIC PRIVATE PARTNERSHIPS (continued)

The calculation of the Obligations Under Private Public Partnerships are as follows (in thousands):

	2008	2007
Anthony Henday - Edmonton Ring Road		
Obligation, Beginning of Year	$ 251,970	$ 125,985
Work completed during the year	104,414	125,985
Principal payments	(2,175)	-
Obligation, End of Year	354,209	251,970
Stoney Trail - Calgary Ring Road		
Obligation, Beginning of Year	$ -	$ -
Work completed during the year (54.5%)	85,125	-
Principal payments	-	-
Obligation, End of Year	85,125	-
Total Obligations Under Private Public Partnerships	$ 439,334	$ 251,970

NOTE 12 SWAN HILLS TREATMENT PLANT

On December 31, 2000, the buildings and equipment of the Swan Hills Treatment Plant were acquired by the Ministry for one dollar from a subsidiary of Bovar Inc. The facility is operated by the Ministry through a contracted operator and results of operations are included in these financial statements.

In addition, certain lands relating to the Swan Hills Treatment Plant and the associated environmental obligations were transferred to the Ministry effective March 31, 2004.

As a result of an agreement between ministers of Environment, Infrastructure and Transportation, and Sustainable Resource Development, the land and responsibilities of the Swan Hills Waste Treatment Plant and related warehouse sites were transferred to the Ministry.

A study was done by an environmental consultant in October 2002 to determine the estimated cost of remediating and monitoring the Swan Hills Treatment Plant site in 2018. At that time, the cost was estimated at $25.9 million with an escalated value of $37.5 million in 2018. An annual provision of $625,000 was required to increase the liability to $37.5 million in 2018. During the 2007-2008 fiscal year, an environmental consultant updated the estimate to $62.14 million. The annual provision was increased from $625,000 to $4,148,000 to increase the liability to $62.14 million in 2018.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2008

NOTE 12 SWAN HILLS TREATMENT PLANT (continued)
(in thousands)

At March 31, 2008 the assets and liabilities of plant operations were as follows:

	2008	2007
Assets		
Accounts Receivable	$ 2,971	$ 3,219
Chemical and parts inventories	1,832	1,505
Capital Assets	13,052	9,818
	$ 17,855	$ 14,542
Liabilities		
Accounts Payable and Accrued Liabilities	$ 3,871	$ 4,033
Deferred Revenue	2,836	2,656
	$ 6,707	$ 6,689

Net operating results from plant operations for the years ended March 31 were as follows:

	2008	2007
Revenue (1)	$ 10,029	$ 11,742
Plant expenses before inventory transactions (2)	28,839	22,666
Consumption of consumable and repair part inventories (3)	2,032	2,250
Amortization (4)	1,681	1,794
	32,552	26,710
Net operating results from plant operations	$ (22,523)	$ (14,968)
Purchase of consumable and repair part inventories	$ 2,359	$ 1,872
Capital investment in plant and equipment	$ 4,915	$ 1,386

(1) The amount reported on Schedule 1 includes revenue from the rental of housing of $20 (2007- $128).
(2) The amount reported on Schedule 5 includes expenses for environmental and financial assessments of $175 (2007 - $129) and costs of rental housing of $23 (2007 - $103). Plant costs include a provision of $4,148 (2007 - $625) for site reclamation and environmental monitoring.
(3) Some inventories were acquired at zero cost. The fair value of inventories consumed were $ 100 (2007 - $224) in excess of the cost recorded for the year ended March 31, 2008.
(4) Included in the Financial Transactions on Schedule 5.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2008

NOTE 13 CONTINGENT LIABILITIES

($ in thousands)

At March 31, 2008, the Ministry is a defendant in 164 legal/other claims (2007 - 150 claims). One hundred and twenty-eight of these claims have specified amounts totaling $437,725 and the remaining 36 have no specified amounts (2007 - 127 claims with a specified amount of $487,487 and 23 with no specified amount). Included in the total legal claims are six claims in which the Ministry has been jointly named with other entities, two of which have specified claims amounting to $200,410. Sixty-nine claims amounting to $47,839 are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Certain contingent liabilities may exist for site remediation and reclamation which may be the responsibility of the Ministry. The potential costs relate to contaminated lands purchased for highway construction and to restoring buildings and other sites to acceptable and contractual standards. Except as disclosed in Note 2, the amount of such potential contingent liabilities cannot be reasonably determined and costs for site remediation and reclamation are recognized in the financial statements when work is undertaken.

NOTE 14 TRUST FUNDS UNDER ADMINISTRATION

(in thousands)

The Ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Ministry's financial statements.

As at March 31, 2008, trust funds under the Ministry's administration were as follows:

	2008	2007
The General Trust Fund (1)	$ 833	$ 765
The Security Deposit Trust Fund (2)	163	157
Impaired Driving Initiatives Trust Fund (3)	270	217
	$ 1,266	$ 1,139

(1) The General Trust Fund holds interest bearing securities posted by contractors.
(2) The Security Deposit Trust Fund holds deposits from tenants for rented property.
(3) The Impaired Driving Initiatives Trust Fund holds fines from individuals convicted of impaired driving. Trust funds are used for education programs.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2008

NOTE 15 PAYMENTS UNDER AGREEMENT

(in thousands)

The Ministry has entered into agreements to deliver programs and services that are partly funded by the Government of Canada, the Kananaskis Improvement District and private companies. Costs incurred under these agreements are made by the Ministry under authority of the Financial Administration Act, Section 25. Amounts paid and payable under agreements with program sponsors are as follows:

Accounts receivable includes $1,462 (2007 - $895) relating to payments under agreement.

	2008	2007
Government of Canada (program sponsor)		
Infrastructure Canada - Alberta Program	$ 8,927	$ 15,439
Kananaskis Improvement District (program sponsor)		
Roadway maintenance	73	73
Tourism Oriented Directional Signage (TODS) and Logo Signs Program	1,687	1,892
	$ 10,687	$ 17,404

NOTE 16 DEFINED BENEFIT PLANS

(in thousands)

The Ministry participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense of these pension plans is equivalent to the annual contributions of $10,655 for the year ended March 31, 2008 (2007 - $9,743).

At December 31, 2007, the Management Employees Pension Plan reported a deficiency of $84,341 (2006 - $6,765) and the Public Service Pension Plan reported a deficiency of $92,070 (2006 - surplus of $153,024). At December 31, 2007, the Supplementary Retirement Plan for Public Service Managers had a surplus of $1,510 (2006 - $3,698).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2008, the Bargaining Unit Plan reported an actuarial deficiency of $6,319 (2007 - actuarial surplus of $153) and the Management, Opted Out and Excluded Plan an actuarial surplus of $7,874 (2007 - $10,148). The expense for these two plans is limited to employer's annual contribution for the year.

NOTE 17 GOVERNMENT RESTRUCTURING

As a result of government restructuring announced on March 13, 2008, part of the Ministry's responsibilities were transferred to the newly established Ministry of Transportation. Since the 2007-08 fiscal year was substantially complete prior to this announcement, these financial statements have been prepared as if the restructuring took place on April 1, 2008.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2008

NOTE 18 COMPARATIVE FIGURES

Certain 2007 figures have been reclassified to conform to the 2008 presentation.

NOTE 19 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Ministers.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
SCHEDULE TO THE FINANCIAL STATEMENTS
REVENUES
Year ended March 31, 2008

Schedule 1

(in thousands)

	2008		2007
	Budget	Actual	Actual
Internal Government Transfers			
Transfer from Lottery Fund	$ 175,000	$ 175,000	$ 175,000
Transfers from the Government of Canada			
Cost Recoveries and Contributions	158,647	122,342	243,753
Fees, Permits and Licenses			
Civil Service Parking	2,700	2,956	2,934
Motor Transport Services & Other Premiums	13,340	20,540	21,968
	16,040	23,496	24,902
Investment Income	-	28	2
Other Revenue			
Refunds of Expenditure	2,950	13,417	2,005
Lethbridge Railway Relocation Project	225	277	301
Swan Hills Treatment Centre	13,000	10,049	11,870
Rentals (Land and Buildings)	10,955	16,478	11,710
Tourism Highway Signage Initiative	700	1,657	1,891
Cost Recoveries	-	4,381	3,840
Donated Tangible Capital Asset	27,000	4,130	27,001
Miscellaneous	889	8,640	10,607
	55,719	59,029	69,225
	$ 405,406	$ 379,895	$ 512,882

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
SCHEDULE TO THE FINANCIAL STATEMENTS
DEDICATED REVENUE INITIATIVES
For the year ended March 31, 2008
(in thousands)

Schedule 2

	2008		
	Authorized Dedicated Revenues	Actual Dedicated Revenues	(Shortfall)/ Excess
Expense			
Property Rentals (Land & Buildings)	$ 13,385	$ 16,291	$ 2,906
Swan Hills Treatment Centre	13,000	10,049	(2,951)
Motor Transport Permits and Licences	2,300	2,300	-
National Safety Code	500	500	-
Infrastructure Canada Alberta Program	250	339	89
Natural Resources Canada	34	136	102
Bridge Maintenance	20	20	-
	29,489	29,635	146
Capital Investment			
Crop Diversification Centre	305	305	-
Provincial Highway Systems	7,386	4,338	(3,048)
Alpha House	710	910	200
Tourism Highway Signage Initiative	1,400	1,657	257
	$ 9,801	$ 7,210	$ (2,591) (1)

(1) Shortfall is deducted from current year's authorized budget, as disclosed in Schedules 4 and 5 to the financial statements.

Property Rentals
Rent is charged to agencies of government and other entities which occupy space in government operated buildings or which utilize land owned by government.

Swan Hills Treatment Centre
The private sector is charged for the disposal of hazardous waste.

Motor Transport Permits and Licences
A portion of the revenue for Motor Transport Permits and Licenses has been allocated to dedicated revenue. This revenue partially offsets expenditures made to accommodate Alberta's increasing traffic volumes.

National Safety Code
The Federal Government provides financial assistance to the provincial/territorial jurisdictions to assist in achieving consistent implementation of the National Safety Code. The Federal Government has agreed to contribute $500 per year for 4 years beginning in 2004-2005 and terminating in 2007-2008.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
SCHEDULE TO THE FINANCIAL STATEMENTS
DEDICATED REVENUE INITIATIVES
For the year ended March 31, 2008
(in thousands)

Schedule 2
(continued)

Infrastructure Canada-Alberta Program
The Infrastructure Canada Alberta Program is a joint project with the Federal Government and Municipalities. The Federal Government is reimbursing for the administrative costs of this project.

Natural Resources Canada
There is an agreement between Natural Resources Canada, Statistics Canada and Alberta Infrastructure and Transportation for the maintenance of the National Road Network digital database.

Bridge Maintenance
Canadian Forest Products Ltd. is contributing to the maintenance of the Dunvegan Bridge by providing $200 of funding over 10 years beginning in 2007-2008.

Crop Diversification Centre
The Alberta Crop Industry Development Fund is contributing to the construction of the Crop Diversification Centre in Lacombe.

Provincial Highway Systems
The private sector and municipalities are contributing to the capital investment in new roads, bridges and interchanges in the province.

Alpha House
The Calgary Alpha House Society is contributing to the renovation and expansion of Alpha House in Calgary.

Tourism Highway Signage Initiative
The private sector is contributing to the capital investment in new tourism highway-sign structures in the province.

The above dedicated revenues are included in the Statement of Operations.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
SCHEDULE TO THE FINANCIAL STATEMENTS
EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT
Year ended March 31, 2008

Schedule 3

(in thousands)

	2008		2007
	Budget	Actual	Actual (Restated-Note 3)
Voted:			
Salaries, Wages and Employee Benefits	$ 133,937	$ 131,619	$ 121,665
Supplies and Services	805,563	741,120	703,246
Grants	1,780,366	1,671,994	1,549,670
Financial Transactions and Other	8,029	8,029	157
Amortization of Tangible Capital Assets and Consumption of Inventory	337,472	330,623	297,856
Total Voted Expenses	$ 3,065,367	$ 2,883,385	$ 2,672,594
Statutory:			
Valuation Adjustments			
Provision for Doubtful Accounts	$ -	$ 161	$ 58
Provision for Vacation Pay	-	644	667
Provision for Future Site Remediation and Reclamation	-	9,316	3,035
	$ -	$ 10,121	$ 3,760

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
SCHEDULE TO THE FINANCIAL STATEMENTS
BUDGET
Year Ended March 31, 2008
(in thousands)

Schedule 4

	2007-2008				
	Estimates (a)	Adjustment (b)	Budget	Authorized Supplementary (c)	Authorized Budget
Revenues					
Transfer from Alberta Lottery Fund	$ 175,000	$ -	$ 175,000	$ -	$ 175,000
Transfers from Government of Canada	158,647	-	158,647	-	158,647
Fees, Permits and Licenses	16,040	-	16,040	-	16,040
Investment Income	-	-	-	-	-
Other Revenue	55,719	-	55,719	-	55,719
	405,406	-	405,406	-	405,406
Expenses - Directly Incurred					
Voted Expenses					
Ministry Support Services	43,357	-	43,357	-	43,357
Government Operations	360,180	2,430	362,610	-	362,610
Provincial Highway Systems and Safety	438,273	20	438,293	-	438,293
Municipal Support Programs	1,272,750	-	1,272,750	-	1,272,750
Other Programs and Services	570,571	-	570,571	-	570,571
Non-Cash Items	372,272	-	372,272	-	372,272
Debt Servicing Costs	7,964	-	7,964	-	7,964
	3,065,367	2,450	3,067,817	-	3,067,817
Statutory Expenses					
Valuation Adjustments	-	-	-	-	-
	3,065,367	2,450	3,067,817	-	3,067,817
Net Operating Results	$ (2,659,961)	$ (2,450)	$ (2,662,411)	$ -	$ (2,662,411)
Equipment/Inventory Purchases	$ 44,590	$ -	$ 44,590	$ -	$ 44,590
Capital Investment	$ 1,448,512	$ 44,130	$ 1,492,642	$ 95,000	$ 1,587,642
Dedicated Revenue Shortfall (Schedule 2)	-	(2,591)	(2,591)	-	(2,591)
	$ 1,448,512	$ 41,539	$ 1,490,051	$ 95,000	$ 1,585,051
Statutory Capital Investment	$ 202,000	$ -	$ 202,000	$ 22,400	$ 224,400
Voted Non-Budgetary Disbursements	$ 2,175	$ -	$ 2,175	$ -	$ 2,175

(a) Estimates have been adjusted to reflect the transfer of $51,637 for emerging capital purposes to other departments pursuant to the Appropriation Act, 2007, section 5(1)(a) and transfers of $11,440 for infrastructure planning purposes to other departments pursuant to the Appropriation Act, 2007, section 5(4)(a).

(b) Adjustments include dedicated revenue increases, dedicated revenue shortfalls, and increases as a result of approved capital carry-over of the 2006-07 unused appropriation, pursuant to the Financial Administration Act, section 28.1.

(c) Special Warrant for Supplementary Supply was approved on March 17, 2008.
Treasury Board approval is pursuant to section 24(2) of the *Financial Administration Act* (for net budgeted initiatives).

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
SCHEDULE TO THE FINANCIAL STATEMENTS
COMPARISON OF EXPENSES - DIRECTLY INCURRED, EIP AND CAPITAL INVESTMENT AND STATUTORY EXPENSES
BY ELEMENT TO AUTHORIZED BUDGET
For the year ended March 31, 2008
(in thousands)

Schedule 5

	2007-2008						
	Estimates (a)	Adjustments (b)	Budget	Authorized Supplementary (c)	Authorized Budget	Actual Expense (d)	Unexpended (Over Expended)
Voted Expense, Debt Servicing Costs, EIP and Capital Investments							
1 Ministry Support Services							
1.0.1 Minister's Office	$ 505	$ -	$ 505	$ -	$ 505	$ 448	$ 57
1.0.2 Standing Policy Committee on Agriculture and Municipal Affairs	-	-	-	-	-	-	-
1.0.3 Deputy Minister's Office	550	-	550	-	550	652	(102)
1.0.4 Communications	829	-	829	-	829	744	85
1.0.5 Strategic Services							
- Expense	41,473	-	41,473	-	41,473	37,519	3,954
- Equipment/Inventory Purchases	13,870	-	13,870	-	13,870	9,661	4,209
Total Program 1	57,227	-	57,227	-	57,227	49,024	8,203
2 Government Operations							
2.0.1 Property Operations							
- Expense	170,179	2,430	172,609	-	172,609	178,955	(6,346)
- Equipment/Inventory Purchases	-	-	-	-	-	148	(148)
2.0.2 Leases							
- Expense	125,981	-	125,981	-	125,981	125,452	529
2.0.3 Capital and Accommodation Projects							
- Expense	31,000	-	31,000	-	31,000	6,260	24,740
- Equipment/Inventory Purchases	-	-	-	-	-	23,517	(23,517)
- Capital Investment	200,543	40,647	241,190	-	241,190	66,604	174,586
2.0.4 Government Owned Facilities Preservation							
- Expense	9,675	-	9,675	-	9,675	19,139	(9,464)
- Capital Investment	-	-	-	-	-	9,973	(9,973)
2.0.5 Land Services							
- Expense	1,720	-	1,720	-	1,720	810	910
- Capital Investment	113,452	(70,357)	43,095	-	43,095	62,749	(19,654)
2.0.6 Swan Hills Treatment Centre							
- Expense	21,625	-	21,625	-	21,625	29,036	(7,411)
- Equipment/Inventory Purchases	5,420	-	5,420	-	5,420	7,273	(1,853)
Total Program 2	679,595	(27,280)	652,315	-	652,315	529,916	122,399
3 Provincial Highway Systems and Safety							
3.0.1 Provincial Highway Maintenance							
- Expense	243,382	20	243,402	-	243,402	269,074	(25,672)
- Equipment/Inventory Purchases	-	-	-	-	-	30,322	(30,322)
3.0.2 Provincial Highway Rehabilitation							
- Expense	69,172	-	69,172	-	69,172	33,145	36,027
- Expense funded by Lotteries	55,000	(38,500)	16,500	-	16,500	16,500	-
- Capital Investment	-	-	-	-	-	96,474	(96,474)
- Capital Investment funded by Lotteries	-	38,500	38,500	-	38,500	38,500	-
3.0.3 Provincial Highway Systems							
- Expense	28,816	-	28,816	-	28,816	30,898	(2,082)
- Equipment/Inventory Purchases	25,300	-	25,300	-	25,300	1,377	23,923
- Capital Investment	385,174	34,936	420,110	-	420,110	320,254	99,856
3.0.4 Transportation Safety Services	40,719	-	40,719	-	40,719	36,338	4,381
3.0.5 Transportation Safety Board							
- Expense	1,184	-	1,184	-	1,184	1,130	54
3.0.6 Strategic Economic Corridor Investment Initiative							
- Debt Servicing Costs	7,964	-	7,964	-	7,964	7,964	-
- Capital Investment	626,240	27,949	654,189	95,000	749,189	591,369	157,820
Total Program 3	1,482,951	62,905	1,545,856	95,000	1,640,856	1,473,345	167,511
4 Municipal Support Programs							
4.0.1 Alberta Municipal Infrastructure Program	600,000	-	600,000	-	600,000	652,847	(52,847)
4.0.2 Alberta Cities Transportation Partnerships							
- Expense	185,900	-	185,900	-	185,900	292,805	(106,905)
- Expense funded by Lotteries	30,000	-	30,000	-	30,000	30,000	-
4.0.3 Rural Transportation Partnerships							
- Expense	22,000	-	22,000	-	22,000	37,169	(15,169)
- Expense funded by Lotteries	40,000	-	40,000	-	40,000	40,000	-
4.0.4 Resource Road Program							
- Expense	50,000	-	50,000	-	50,000	26,128	23,872
- Capital Investment	1,000	1,783	2,783	-	2,783	-	2,783
4.0.5 Streets Improvement Program							
- Expense	6,700	-	6,700	-	6,700	2,302	4,398
- Expense funded by Lotteries	25,000	-	25,000	-	25,000	25,000	-
4.0.6 Water for Life							
- Expense	134,300	-	134,300	-	134,300	81,060	53,240
- Expense funded by Lotteries	25,000	-	25,000	-	25,000	25,000	-
4.0.7 Federal Funding for Cities and Communities	83,600	-	83,600	-	83,600	93,426	(9,826)
4.0.8 Canada-Alberta Municipal Rural Infrastructure Fund	60,000	-	60,000	-	60,000	7,132	52,868
4.0.9 Infrastructure Canada-Alberta Program							
- Expense	10,250	-	10,250	-	10,250	6,867	3,383
Total Program 4	1,273,750	1,783	1,275,533	-	1,275,533	1,319,736	(44,203)

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
SCHEDULE TO THE FINANCIAL STATEMENTS
COMPARISON OF EXPENSES - DIRECTLY INCURRED, EIP AND CAPITAL INVESTMENT AND STATUTORY EXPENSES
BY ELEMENT TO AUTHORIZED BUDGET
For the year ended March 31, 2008
(in thousands)

Schedule 5
(continued)

	2007-2008						
	Estimates (a)	Adjustments (b)	Budget	Authorized Supplementary (c)	Authorized Budget	Actual Expense (d)	Unexpended (Over Expended)
5 Other Programs And Services							
5.0.1 Infrastructure Planning	9,991	-	9,991	-	9,991	4,122	5,869
5.0.2 Seniors' Lodges	-	-	-	-	-	57	(57)
5.0.3 Natural Gas Rebates	477,300	-	477,300	-	477,300	329,481	147,819
5.0.4 Capital for Emergent Projects							
- Expense	23,363	-	23,363	-	23,363	13,052	10,311
- Equipment/Inventory Purchases	-	-	-	-	-	705	(705)
- Capital Investment	91,000	7,766	98,766	-	98,766	60,188	38,578
5.0.5 Program Services							
- Expense	59,917	-	59,917	-	59,917	64,937	(5,020)
- Equipment/Inventory Purchases	-	-	-	-	-	745	(745)
5.0.6 Water Management Infrastructure							
- Capital Investment	31,103	1,406	32,509	-	32,509	34,882	(2,373)
Total Program 5	692,674	9,172	701,846	-	701,846	508,169	193,677
6 Non-Cash Items							
6.0.1 Amortization of Capital Assets	310,472	-	310,472	-	310,472	301,417	9,055
6.0.2 Consumption of Inventories	27,000	-	27,000	-	27,000	29,206	(2,206)
6.0.3 Nominal Sum Disposals	34,800	-	34,800	-	34,800	27,313	7,487
Total Program 6	372,272	-	372,272	-	372,272	357,936	14,336
Dedicated Revenue Shortfall (Schedule 2)	-	(2,591)	(2,591)	-	(2,591)	-	(2,591)
Grand Total	$ 4,558,469	$ 43,989	$ 4,602,458	$ 95,000	$ 4,697,458	$ 4,238,126	$ 459,332
Expense	$ 2,882,403	$ 2,450	$ 2,884,853	$ -	$ 2,884,853	$ 2,738,921	$ 145,932
Expense Funded by Lotteries	175,000	(38,500)	136,500	-	136,500	136,500	-
Debt Servicing Costs	7,964	-	7,964	-	7,964	7,964	-
	3,065,367	(36,050)	3,029,317	-	3,029,317	2,883,385	145,932
Equipment/Inventory Purchases	44,590	-	44,590	-	44,590	73,748	(29,158)
	3,109,957	(36,050)	3,073,907	-	3,073,907	2,957,133	116,774
Capital Investment	1,448,512	41,539	1,490,051	95,000	1,585,051	1,242,493	342,558
Capital Investment Funded by Lotteries	-	38,500	38,500	-	38,500	38,500	-
	1,448,512	80,039	1,528,551	95,000	1,623,551	1,280,993	342,558
	$ 4,558,469	$ 43,989	$ 4,602,458	$ 95,000	$ 4,697,458	$ 4,238,126	$ 459,332
Statutory Expense							
Valuation Adjustments							
Provision for Doubtful Accounts	$ -	$ -	$ -	$ -	$ -	$ 161	$ (161)
Provision for Vacation Pay	-	-	-	-	-	644	(644)
Provision for Future Site Remediation and Reclamation	-	-	-	-	-	9,316	(9,316)
	$ -	$ -	$ -	$ -	$ -	$ 10,121	$ (10,121)
Statutory Capital Investment							
Alternatively Financed Projects	$ 202,000	$ -	$ 202,000	$ 22,400	$ 224,400	$ 189,540	$ 34,860
	$ 202,000	$ -	$ 202,000	$ 22,400	$ 224,400	$ 189,540	$ 34,860
Voted Non-Budgetary Disbursements							
3 Provincial Highway Systems and Safety							
3.0.6 Strategic Economic Corridor Investment Initiative	$ 2,175	$ -	$ 2,175	$ -	$ 2,175	$ 2,175	$ -
	$ 2,175	$ -	$ 2,175	$ -	$ 2,175	$ 2,175	$ -

(a) Estimates have been adjusted to reflect the transfer of $51,637 for emerging capital purposes to other departments pursuant to the Appropriation Act, 2007, section 5(1)(a) and transfers of $11,440 for infrastructure planning purposes to other departments pursuant to the Appropriation Act, 2007, section 5(4)(a).

(b) Adjustments include dedicated revenue increases, dedicated revenue shortfalls, and increases as a result of approved capital carry-over of the 2006-07 unused appropriation, pursuant to the Financial Administration Act, section 28.1.

(c) Special Warrant for Supplementary Supply was approved on March 17, 2008.
Treasury Board approval is pursuant to section 24(2) of the *Financial Administration Act* (for net budgeted initiatives).

(d) Includes Achievement bonus of $2,828.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
SCHEDULE TO THE FINANCIAL STATEMENTS
SALARY AND BENEFITS DISCLOSURE
Year ended March 31, 2008

Schedule 6

	2008				2007
	Base Salary (1)	Other Cash Benefits (2)	Other Non-cash Benefits (3)	Total	Total
Deputy Minister [4]	$ 230,520	$ 80,997	$ 56,208	$ 367,725	$ 313,482
Chair, Transportation Safety Board	164,736	28,681	40,713	234,130	218,133
Assistant Deputy Ministers					
Properties	164,736	28,681	9,407	202,824	190,717
Capital Projects	164,736	34,993	40,996	240,725	210,211
Transportation Safety Services	152,796	22,127	37,859	212,782	188,461
Transportation and Civil Engineering [5]	140,879	18,554	33,994	193,427	193,143
Policy and Corporate Services	164,736	28,681	40,356	233,773	207,240

Prepared in accordance with Treasury Board Directive 12/98 as amended.

Total salary and benefits related to a position are disclosed.

(1) Base salary includes pensionable base pay.
(2) Other cash benefits include bonuses, vacation payouts, overtime, and lump sum payments.
(3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life, insurance, short and long term disability plans, professional memberships and tuition fees.
(4) Automobile provided, no dollar amount included in non-cash benefits figures.
(5) From March to November, 2007 various management staff were acting in the position. The incumbent was appointed to this position in December, 2007.

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
SCHEDULE TO THE FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2008
(in thousands)

Schedule 7

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2008	2007 (Restated - Note 3)
Revenues		
Lottery Fund	$ 175,000	$ 175,000
Parking/Rental	2,527	3,923
SUCH Sector Entities	715	799
Swan Hills Treatment Centre	480	480
	$ 178,722	$ 180,202
Expenses - Directly Incurred		
Business and Technology Services	$ 7,411	$ 5,843
SUCH Sector Entities	4,872	4,079
Insurance	2,262	1,956
	$ 14,545	$ 11,878
Accounts Receivable from SUCH[1] Sector Entities	$ 181	$ 403
Accounts Payable to SUCH[1] Sector Entities	$ 510	$ 173
Nominal Sum Disposals to SUCH[1] Sector Entities	$ 26,600	$ 24,547
Net Tangible Capital Assets Transferred	$ 23,496	$ 87,019

[1] SUCH - Schools, Universities, Colleges and Hospitals

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
SCHEDULE TO THE FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2008
(in thousands)

Schedule 7
continued

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These expense amounts are not recorded in the financial statements but are disclosed in Schedule 8.

	Other Entities	
	2008	2007 (Restated - Note 3)
Revenue		
Road/Bridge Maintenance	$ 6,359	$ 8,103
Accommodation	304,337	258,110
	$ 310,696	$ 266,213
Expenses - Incurred by Others (Schedule 8)		
Accommodation	$ 1,465	$ 1,630
Air Transportation/Executive Vehicles	246	268
Business Services	9,232	9,178
Internal Audit	228	-
Legal	2,262	1,384
	$ 13,433	$ 12,460

MINISTRY OF INFRASTRUCTURE AND TRANSPORTATION
SCHEDULE TO THE FINANCIAL STATEMENTS
ALLOCATED COSTS
Year ended March 31, 2008
(in thousands)

Schedule 8

	2008								2007
		Expenses - Incurred by Others			Valuation Adjustments (5)				
Program	Expenses (1)	Accommodation Costs (2)	Business Services (3)	Legal Services (4)	Vacation Pay	Doubtful Accounts	Others	Expenses	Expenses (Restated Note 3)
Ministry Support Services	$ 39,363	$ 132	$ 9,706	$ 310	$ 114	$ -	$ -	$ 49,625	$ 52,341
Government Operations	359,652	344	-	952	9	161	-	361,118	306,511
Provincial Highway Systems and Safety	387,085	431	-	1,000	296	-	9,316	398,128	421,560
Municipal Support Programs	1,319,736	1	-	-	(3)	-	-	1,319,734	1,133,774
Other Programs and Services	411,649	557	-	-	228	-	-	412,434	447,042
Non-Cash Items	357,936	-	-	-	-	-	-	357,936	327,586
Debt Servicing Costs	7,964	-	-	-	-	-	-	7,964	-
	$2,883,385	$ 1,465	$ 9,706	$ 2,262	$ 644	$ 161	$ 9,316	$2,906,939	$ 2,688,814

(1) Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments

(2) Cost shown for Accommodation (includes grants in lieu of taxes) on Schedule 7, allocated by number of employees in program.

(3) Costs shown for Business Services include charges for financial and information technology support, vehicles and air transportation.

(4) Cost shown for Legal Services on Schedule 7, allocated by estimated costs incurred by each program.

(5) Valuation Adjustments as per Statement of Operations. Employee Benefits and Doubtful Accounts and Others provision included in Valuation Adjustments were allocated as follows:
- Vacation Pay - allocated to the program by employee,
- Doubtful Accounts Provision - estimated allocation to program.

Alphabetical List of Entities' Financial Statements

Alphabetical List of Entities' Financial Statements in Ministry 2007-08 Annual Reports

Entities Included In The Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	Ministry Annual Report
Access to the Future Fund	Advanced Education and Technology
Agriculture Financial Services Corporation	Agriculture and Food
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Cancer Prevention Legacy Fund	Finance
Alberta Capital Finance Authority	Finance
Alberta Energy and Utilities Board[1]	Energy
Alberta Foundation for the Arts	Tourism, Parks, Recreation and Culture
Alberta Gaming and Liquor Commission	Solicitor General and Public Security
Alberta Heritage Foundation for Medical Research Endowment Fund	Finance
Alberta Heritage Savings Trust Fund	Finance
Alberta Heritage Scholarship Fund	Finance
Alberta Heritage Science and Engineering Research Endowment Fund	Finance
Alberta Historical Resources Foundation	Tourism, Parks, Recreation and Culture
Alberta Insurance Council	Finance
Alberta Investment Management Corporation[2]	Finance
Alberta Local Authorities Pension Plan Corporation	Finance
Alberta Pensions Administration Corporation	Finance
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Advanced Education and Technology
Alberta Risk Management Fund	Finance
Alberta School Foundation Fund	Education
Alberta Securities Commission	Finance
Alberta Social Housing Corporation	Municipal Affairs and Housing
Alberta Sport, Recreation, Parks and Wildlife Foundation	Tourism, Parks, Recreation and Culture
Alberta Treasury Branches Alberta Utilities Commission[1]	Finance Energy
ATB Insurance Advisors Inc.	Finance
ATB Investment Management Inc.	Finance
ATB Investment Services Inc.	Finance
ATB Securities Inc.	Finance
Child and Family Services Authorities:	Children's Services

[1] Effective January 1, 2008, the Alberta Energy and Utilities Board was realigned into two separate regulatory bodies: the Alberta Utilities Commission and the Energy Resources Conservation Board.
[2] Began operations January 1, 2008

Entities Included In The Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	Ministry Annual Report
Calgary and Area Child and Family Services Authority	
Central Alberta Child and Family Services Authority	
East Central Alberta Child and Family Services Authority	
Edmonton and Area Child and Family Services Authority	
North Central Alberta Child and Family Services Authority	
Northeast Alberta Child and Family Services Authority	
Northwest Alberta Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Southwest Alberta Child and Family Services Authority	
Metis Settlements Child and Family Services Authority	
C-FER Technologies (1999) Inc.	Advanced Education and Technology
Climate Change and Emissions Management Fund[3]	Environment
Credit Union Deposit Guarantee Corporation	Finance
Colleges:	Advanced Education and Technology
Alberta College of Art and Design	
Bow Valley College	
Grande Prairie Regional College	
Grant MacEwan College	
Keyano College	
Lakeland College	
Lethbridge Community College	
Medicine Hat College	
Mount Royal College	
NorQuest College	
Northern Lakes College	
Olds College	
Portage College	
Red Deer College	
Department of Advanced Education and Technology	Advanced Education and Technology
Department of Agriculture and Food	Agriculture and Food
Department of Children's Services	Children's Services
Department of Education	Education
Department of Energy	Energy
Department of Finance	Finance
Department of Environment	Environment
Department of Health and Wellness	Health and Wellness

1 Effective January 1, 2008, the Alberta Energy and Utilities Board was realigned into two separate regulatory bodies: the Alberta Utilities Commission and the Energy Resources Conservation Board.

Entities Included In The Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	Ministry Annual Report
Department of Municipal Affairs and Housing	Municipal Affairs and Housing
Department of Seniors and Community Supports	Seniors and Community Supports
Department of Solicitor General and Public Security	Solicitor General and Public Security
Department of Sustainable Resource Development	Sustainable Resource Development
Department of Tourism, Parks, Recreation and Culture	Tourism, Parks, Recreation and Culture
Energy Resources Conservation Board[1]	Energy
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance
Government House Foundation	Tourism, Parks, Recreation and Culture
Historic Resources Fund	Tourism, Parks, Recreation and Culture
Human Rights, Citizenship and Multiculturalism Education Fund	Tourism, Parks, Recreation and Culture
iCORE Inc.	Advanced Education and Technology
Lottery Fund	Solicitor General and Public Security
Ministry of Advanced Education and Technology	Advanced Education and Technology
Ministry of Agriculture and Food	Agriculture and Food
Ministry of Children's Services	Children's Services
Ministry of Education	Education
Ministry of Employment, Immigration and Industry[4]	Employment, Immigration and Industry
Ministry of Energy	Energy
Ministry of Environment	Environment
Ministry of Executive Council[4]	Executive Council
Ministry of Finance	Finance
Ministry of Health and Wellness	Health and Wellness
Ministry of Infrastructure and Transportation[4]	Infrastructure and Transportation
Ministry of International, Intergovernmental and Aboriginal Relations[4]	International, Intergovernmental and Aboriginal Relations
Ministry of Justice[4]	Justice
Ministry of Municipal Affairs and Housing	Municipal Affairs and Housing
Ministry of Seniors and Community Supports	Seniors and Community Supports
Ministry of Service Alberta[4]	Service Alberta
Ministry of Solicitor General and Public Security	Solicitor General and Public Security
Ministry of Sustainable Resource Development	Sustainable Resource Development
Ministry of Tourism, Parks, Recreation and Culture	Tourism, Parks, Recreation and Culture
Ministry of the Treasury Board[4]	Treasury Board
N.A. Properties (1994) Ltd.	Finance
Natural Resources Conservation Board	Sustainable Resource Development

[1] Effective January 1, 2008, the Alberta Energy and Utilities Board was realigned into two separate regulatory bodies: the Alberta Utilities Commission and the Energy Resources Conservation Board.

[4] Ministry includes only the departments so separate departmental financial statements are not necessary.

Entities Included In The Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	Ministry Annual Report
Persons with Developmental Disabilities Community Boards:	Seniors and Community Supports
Calgary Region Community Board	
Central Region Community Board	
Edmonton Region Community Board	
Northeast Region Community Board	
Northwest Region Community Board	
South Region Community Board	
Persons with Developmental Disabilities Provincial Board[5]	Seniors and Community Supports
Provincial Judges and Masters in Chambers Reserve Fund	Finance
Regional Health Authorities and Provincial Health Boards:	Health and Wellness
Alberta Cancer Board	
Alberta Mental Health Board	
Aspen Regional Health Authority	
Calgary Health Region	
Capital Health	
Chinook Regional Health Authority	
David Thompson Regional Health Authority	
East Central Health	
Health Quality Council of Alberta	
Northern Lights Health Region	
Peace Country Health	
Palliser Health Region	
Safety Codes Council	Municipal Affairs and Housing
School Boards and Charter Schools:	Education
Almadina School Society	
Aspen View Regional Division No. 19	
Aurora School Ltd.	
Battle River Regional Division No. 31	
Black Gold Regional Division No. 18	
Boyle Street Education Centre	
Buffalo Trail Public Schools Regional Division No. 28	
Calgary Arts Academy Society	
Calgary Girls' School Society	
Calgary Roman Catholic Separate School District No. 1	
Calgary School District No. 19	
Calgary Science School Society	
Canadian Rockies Regional Division No. 12	

[5] Ceased operations June 30, 2006

Entities Included In The Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	Ministry Annual Report
CAPE-Centre for Academic and Personal Excellence Institute	
Chinook's Edge School Division No. 73	
Christ the Redeemer Catholic Separate Regional Division No.3	
Clearview School Division No. 71	
East Central Alberta Catholic Separate Schools Regional Division No. 16	
East Central Francophone Education Region No. 3	
Edmonton Catholic Separate School District No. 7	
Edmonton School District No. 7	
Elk Island Catholic Separate Regional Division No. 41	
Elk Island Public Schools Regional Division No. 14	
Evergreen Catholic Separate Regional Division No. 2	
FFCA Charter School Society	
Foothills School Division No. 38	
Fort McMurray Roman Catholic Separate School District No. 32	
Fort McMurray School District No. 2833	
Fort Vermilion School Division No. 52	
Golden Hills School Division No. 75	
Grande Prairie Public School District No. 2357	
Grande Prairie Roman Catholic Separate School District No. 28	
Grande Yellowhead Regional Division No. 35	
Grasslands Regional Division No. 6	
Greater North Central Francophone Education Region No. 2	
Greater Southern Public Francophone Education Region No. 4	
Greater Southern Separate Catholic Francophone Education Region No. 4	
Greater St. Albert Catholic Regional Division No. 29	
High Prairie School Division No. 48	
Holy Family Catholic Regional Division No. 37	
Holy Spirit Roman Catholic Separate Regional Division No. 4	
Horizon School Division No. 67	
Lakeland Roman Catholic Separate School District No. 150	

Entities Included In The Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	Ministry Annual Report
Lethbridge School District No. 51	
Living Waters Catholic Regional Division No. 42	
Livingstone Range School Division No. 68	
Medicine Hat Catholic Separate Regional Division No. 20	
Medicine Hat School District No. 76	
Moberly Hall School Society	
Mother Earth's Children's Charter School Society	
New Horizons Charter School Society	
Northern Gateway Regional Division No. 10	
Northern Lights School Division No. 69	
Northland School Division No. 61	
Northwest Francophone Education Region No. 1	
Palliser Regional Division No. 26	
Parkland School Division No. 70	
Peace River School Division No. 10	
Peace Wapiti School Division No. 76	
Pembina Hills Regional Division No. 7	
Prairie Land Regional Division No. 25	
Prairie Rose School Division No. 8	
Red Deer Catholic Regional Division No. 39	
Red Deer School District No. 104	
Rocky View School Division No. 41	
St. Albert Protestant Separate School District No. 6	
St. Paul Education Regional Division No. 1	
St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38	
Sturgeon School Division No. 24	
Suzuki Charter School Society	
Westmount Charter School Society	
Westwind School Division No. 74	
Wetaskiwin Regional Division No. 11	
Wild Rose School Division No. 66	
Wolf Creek School Division No. 72	
Supplementary Retirement Plan Reserve Fund	Finance
Technical Institutes and The Banff Centre:	Advanced Education and Technology
Northern Alberta Institute of Technology	
Southern Alberta Institute of Technology	
The Banff Centre for Continuing Education	

Entities Included In The Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	Ministry Annual Report
Universities:	Advanced Education and Technology
Athabasca University	
The University of Alberta	
The University of Calgary	
The University of Lethbridge	
Victims of Crime Fund	Solicitor General and Public Security
Wild Rose Foundation	Tourism, Parks, Recreation and Culture

Entities Not Included In The Consolidated Government Reporting Entity

Fund or Agency	Ministry Annual Report
Alberta Foundation for Health Research	Advanced Education and Technology
Alberta Heritage Foundation for Medical Research	Advanced Education and Technology
Alberta Heritage Foundation for Science and Engineering Research	Advanced Education and Technology
Alberta Teachers' Retirement Fund Board	Education
Improvement Districts' Trust Account	Municipal Affairs and Housing
Local Authorities Pension Plan	Finance
Long-Term Disability Income Continuance Plan - Bargaining Unit	Service Alberta
Long-Term Disability Income Continuance Plan - Management, Opted Out and Excluded	Service Alberta
Management Employees Pension Plan	Finance
Provincial Judges and Masters in Chambers Pension Plan	Finance
Provincial Judges and Masters in Chambers (Unregistered) Pension lan	Finance
Public Service Management (Closed Membership) Pension Plan	Finance
Public Service Pension Plan	Finance
Special Areas Trust Account	Municipal Affairs and Housing
Special Forces Pension Plan	Finance
Supplementary Retirement Plan for Public Service Managers	Finance
Workers' Compensation Board	Employment, Immigration and Industry

GOVERNMENT ORGANIZATION CHANGES 2008-09

Ministry	Program/Element/Entity Changes	Previous Location	New Location
Aboriginal Relations	< Aboriginal Governance, Consultation and Economic Development	< Former International, Intergovernmental and Aboriginal Relations	
	< First Nations Development Fund	< Former Tourism, Parks, Recreation and Culture	
Advanced Education and Technology	< no change		
Agriculture and Rural Development	< Rural Development	< Former Employment, Immigration and Industry	
Children and Youth Services (formerly Children's Services)	< Women's Issues	< Former Employment, Immigration and Industry	
Culture and Community Spirit	< Culture, Community Lottery Grants, Heritage, Human Rights and Citizenship	< Former Tourism, Parks, Recreation and Culture	
	< Alberta Foundation for the Arts		
	< Alberta Historical Resources Foundation		
	< Government House Foundation		
	< Historic Resources Fund		
	< Human Rights, Citizenship and Multiculturalism Education Fund		
	< Wild Rose Foundation		
	< Community and Voluntary Services	< Former Municipal Affairs and Housing	
Education	< no change		
Employment and Immigration	< Francophone Secretariat	< Former Tourism, Parks, Recreation and Culture	
	< except Rural Development		< Agriculture and Rural Development
	< except Economic Development		< Finance and Enterprise, and International and Intergovernmental Relations
	< except Northern Alberta Development Council		< Finance and Enterprise
	< except Alberta Economic Development Authority		
	< except Women's Issues		< Children and Youth Services
Energy	< no change		
Environment	< no change		
Executive Council	< no change		
Finance and Enterprise	< Regulatory Review Secretariat	< Service Alberta	
	< Economic Development, except Investment Attraction	< Former Employment, Immigration and Industry	
	< Northern Alberta Development		

2007-2008 Ministry Annual Report Standards

Ministry	Program/Element/Entity Changes	Previous Location	New Location
Housing and Urban Affairs	< Housing Services < Alberta Social Housing Corporation	< Former Municipal Affairs and Housing	
Infrastructure	< except Provincial Highway Systems and Safety	< Former Infrastructure and Transportation	< Transportation
International and Intergovernmental Relations	< except Aboriginal Governance, Consultation and Economic Development		< Aboriginal Relations
	< Investment Attraction	< Former Employment, Immigration and Industry	
Justice and Attorney General	< no change		
Municipal Affairs	< except Housing Services < except Alberta Social Housing Corporation		< Housing and Urban Affairs
	< except Community and Voluntary Services		< Culture and Community Spirit
Seniors and Community Supports	< no change		
Service Alberta	< except Regulatory Review Secretariat		< Finance and Enterprise
	< except Personnel Administration Office		< Treasury Board
	< except Aircraft Services		
Solicitor General and Public Security	< no change		
Sustainable Resource Development	< no change		
Tourism, Parks and Recreation	< except First Nations Development Fund		< Aboriginal Relations
	< except Culture, Community Lottery Grants, Heritage, Human Rights and Citizenship		< Culture and Community Spirit
	< except Alberta Foundation for the Arts		
	< except Alberta Historical Resources Foundation		
	< except Government House Foundation		
	< except Historic Resources Fund		
	< except Human Rights, Citizenship and Multiculturalism Education Fund		
	< except Wild Rose Foundation		
	< except Francophone Secretariat		< Employment and Immigration
Transportation	< Provincial Highway Systems and Safety	< Former Infrastructure and Transportation	
Treasury Board	< Corporate Human Resources (formerly Personnel	< Service Alberta	

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